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Separate paging is given to this Part in order that it may be filed as a separate compilation

## PART III—SECTION 4

### Miscellaneous Notifications including Notifications, Orders, Advertisements and Notices issued by Statutory Bodies

#### RESERVE BANK OF INDIA Department of Banking Operations

Bombay-1, the 13th July 1964

DBO. No. 10/C.404-64—In pursuance of sub-section (2) of Section 36A of the Banking Companies Act, 1949, the Reserve Bank of India hereby notifies that the Tirupur Lakshmi Vilasa Bank Ltd., Tirupur, has ceased to be a banking company within the meaning of the said Act.

D. R. JOSHI  
Executive Director

#### STATE BANK OF INDIA

Bombay, the 7th July 1964

The following appointment on the Bank's Staff is hereby notified :—

Shri V. G. Priolkar to act as Accountant at Margao (Goa) Branch as from the close of business on the 12th May 1964, vice Shri H. H. Chinoy.

R. N. CHETTUR  
Secretary & Treasurer

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

New Delhi-1, the 18th July 1964

No. 1-CA(30)/63.—In exercise of the powers conferred by sub-section (1) of section 30 of the Chartered Accountants Act, 1949 (XXXVIII of 1949), and in supersession of the Chartered Accountants Regulations, 1949, the Council of the Institute of Chartered Accountants of India is pleased to make the following Regulations, the same having been previously published and approved by the Central Government, as required by sub-section (3) of the said section 30 of the said Act :

#### CHAPTER I

##### PRELIMINARY

##### 1. Short title and commencement

(1) These Regulations may be called the Chartered Accountants Regulations, 1964.

(2) They shall come into force on such date as the Council may, by notification in the Gazette of India appoint in this behalf.

##### 2. Interpretation

(1) In these Regulations, unless there is anything repugnant in the subject or context,—

(i) "Act" means the Chartered Accountants Act, 1949 (XXXVIII of 1949);

(ii) "annual meeting" means the first meeting of the Council held after the 1st day of August of each year;

(iii) "appropriate Form" means a Form contained in Schedule 'A', suitable for the purpose, modified where necessary;

(iv) "articled clerk" means a clerk engaged under articles by a member entitled to train articled clerks under the Regulations;

(v) "certificate of practice" means a certificate granted under these Regulations entitling the holder to practise as a chartered accountant;

(vi) "fellow" means a fellow of the Institute;

(vii) "graduate" means a graduate of a University constituted by law in India or a graduate of any other University recognised by the Central Government;

(viii) "member" means a member of the Institute;

(ix) "President" means the President for the time being elected under section 12 and in his absence the Vice-President for the time being elected under section 12;

(x) "Professional address" means an address of the place of business, that is to say, the place where a member is carrying on his profession (or where he is carrying on the profession at more than one place, the principal place) or the place of employment if he is employed and shall include, where necessary, the place of residence if the member neither carries on the profession nor is employed;

(xi) "Schedule" means a Schedule annexed to these Regulations;

(xii) "Secretary" means the Secretary or any Deputy or Assistant Secretary appointed by the Council or any person acting as the Secretary under the direction of the Council;

(xiii) "section" and "sub-section" means a section and sub-section of the Act;

(xiv) "service as an audit clerk" means service as an audit clerk in the office of a member entitled to engage and train articled clerks under these Regulations.

(xv) "Service with armed forces" means :

- service of any kind in a unit or formation liable for service overseas or in any operational area;
- service in India under defence munitions or stores authorities liable for service overseas or in any operational area;
- any other service involving subjection to naval, military or air force law;
- service in any civil defence organisation specified in this behalf by the Council;
- service connected with the prosecution of the war which a person is required to render by a competent authority under the provisions of any law for the time being in force; or
- such other service as may hereafter be declared as service with armed forces by the Council.

*Explanation.*—Service includes training for service and means full time service during the period of the Proclamation of Emergency under the Constitution.

(2) All words and expressions used herein and not defined in these Regulations but defined in the Act shall have the meanings respectively assigned to them in the Act.

(3) The General Clauses Act 1897 (X of 1897) shall apply, so far as may be, to the interpretation of these Regulations as it applies to the interpretation of the Central Acts.

## CHAPTER II

### MEMBERS

#### 3. Register

The Register of members shall be in the appropriate Form.

#### 4. Qualifications for members

Subject to the provisions of sections 4 and 8, a person shall be entitled to have his name entered in the Register if he :

(a) has passed the examinations and completed the practical training specified in Schedule B; or

(b) possesses qualifications recognised by the Council as equivalent to the examinations and the practical training referred to in clause (a) above; or

(c) is eligible under clauses (i), (iii) or (iv) of sub-section (1) of section 4 :

Provided that a person shall not be entitled if he, in the opinion of the Council,

(a) has at any time solicited clients or professional work either directly or indirectly, by circular, advertisement, personal communication or interview or by any other means; or

(b) has at any time advertised his professional attainments or services; or

(c) has done at any time anything which aims at publicity or amounts to canvassing with a view to setting up practice as a chartered accountant.

#### 5. Application for membership

(1) (a) A person who desires to have his name entered in the Register shall submit to the Secretary an application, in the appropriate Form, together with documentary evidence about his eligibility for membership and the fee prescribed in these Regulations.

(b) An associate who desires to be admitted as a fellow shall submit to the Secretary an application, in the appropriate Form, together with the prescribed entrance fee.

(2) The applicant shall furnish such further information as the Council may, from time to time, require.

(3) For the purposes of sub-section (3) of section 5, an associate shall be deemed to have acquired the experience normally acquired as a result of continuous practice for a period of five years as a chartered accountant, if he—

(i) being in Government service, is ordinarily holding or has ordinarily held for a continuous period of not less than five years, any post in Class I or equivalent thereto, not below the rank of (a) an Income-tax Officer, (b) an Accounts Officer, (c) an Audit Officer, (d) a Financial Officer, (e) an Officer in the Board of Company Law Administration (Company Law Board), (f) a Deputy Registrar of Co-operative Societies, (g) an Officer in the Department of Commercial Taxes, etc.;

(ii) being employed in a private or Government, industrial, commercial or trading undertaking, is ordinarily holding or has ordinarily held for a continuous period of not less than five years, a post not below the rank of a Chief Accountant, a Deputy Chief Accountant, an Internal Auditor or any equivalent post carrying duties relating to accounts, cost accounts, audit, financial, taxation and/or secretarial work;

(iii) being employed under a statutory authority, is ordinarily holding or has ordinarily held for a continuous period of not less than five years, any post equivalent to any of those mentioned in clause (ii) above;

(iv) being employed under a local authority, is ordinarily holding or has ordinarily held for a continuous period of not less than five years, any post equivalent to any of those mentioned in clause (ii) above, provided the local authority has within its jurisdiction a population of not less than five lakhs of persons during each of the five years of his service;

(v) has served for a continuous period of not less than five years as a full-time paid assistant under a chartered accountant :

Provided that the Council may, in its discretion, consider any other experience not specifically mentioned in clauses (i), (ii), (iii), (iv) or (v) above, as equivalent to the experience normally acquired as a result of continuous practice for a period of five years as a chartered accountant.

#### *Explanation I*

A member shall be deemed to have acquired the experience normally acquired as a result of continuous practice for a period of five years as a chartered accountant:

(a) if he has served continuously for a period of not less than five years in any one or more posts mentioned in clauses (i), (ii), (iii), (iv) and (v) above; or

(b) if he has partly been in practice and partly served in any one or more posts mentioned in clauses (i), (ii), (iii), (iv) and (v) above, so that the total period of practice and service shall not be less than five years, provided there is no break between the practice and the service.

#### *Explanation II*

For the purpose of clause (ii) above, the private or Government, industrial, commercial or trading undertaking shall have at all material times (a) a minimum paid-up capital of twentyfive lakhs of rupees or (b) a minimum turn-over of fifty lakhs of rupees or (c) a minimum paid-up capital of ten lakhs of rupees and a minimum turn-over of thirty lakhs of rupees.

#### 6. Fees

(1) A person applying for the membership of the Institute shall pay an entrance fee of three hundred rupees :

Provided that he may pay one hundred rupees along with his application and the balance of two hundred rupees in two instalments of one hundred rupees each, the first to be paid within twelve months and the second within twenty-four months of the date of his being enrolled as a member.

(2) An associate applying for admission as a fellow shall pay an entrance fee of two hundred rupees.

(3) An associate shall pay an annual membership fee of twenty-eight rupees which shall be due and payable on the 1st day of April in each year :

Provided that half the amount of the annual membership fee shall be payable by a person admitted on or after the 1st day of October and before the 1st day of April next following.

(4) A fellow shall pay an annual membership fee of eighty-three rupees which shall be due and payable on the 1st day of April in each year :

Provided that an associate, on being admitted as a fellow in the course of the year, shall pay fifty-five rupees only for that year.

(5) A member in practice shall pay an annual certificate fee of twenty-eight rupees which shall be due and payable on the 1st day of April in each year.

(6) A member shall pay to the Council, for the benefit of the Regional Council within whose territorial jurisdiction his professional address is situate, an annual fee of six rupees which shall be due and payable on the 1st day of April in each year.

#### 7. Refund of fee

A person whose application for admission to the membership of the Institute or whose application for a certificate of practice is not accepted by the Council, shall be entitled to a refund of the fee paid by him.

#### 8. Certificate of membership

If the application is accepted by the Council, the applicant's name shall be entered in the Register and a certificate of membership in the appropriate Form shall be issued to him.

#### 9. Certificate of practice

(1) (i) A member may apply to the Council for a certificate entitling him to practise as a chartered accountant throughout India.

(ii) An application for the grant or renewal of a certificate shall be accompanied by the annual certificate fee and shall be in the appropriate Form.

(iii) The certificate shall be issued in the appropriate Form and shall be valid until the 30th day of June of the following year.

(iv) The validity of the certificate issued in the appropriate Form shall be extended from time to time by a certificate by the Secretary in the appropriate Form.

(2) On his ceasing to be in practice, a member shall inform the Council as soon as may be but in any case not later than one month from the date he ceased to practise.

#### 10. Cancellation of a certificate of practice

(1) A certificate of practice shall be cancelled :—

(i) when the name of the holder of the certificate is removed from the Register; or

(ii) when the Council is satisfied that such certificate was issued on the basis of incorrect, misleading or false information, or by mistake or inadvertence; or

(iii) when a member has ceased to practise.

(2) The cancellation of a certificate shall be effective :—

(a) in a case falling under clause (i) of sub-regulation (1) from the date on which and during the period for which the name of the holder of the certificate was removed from the Register; and

(b) in any other case from such date and for such period as the Council may determine.

(3) Where a certificate is cancelled, the date from which the certificate shall stand cancelled, shall be communicated to the member and shall also be notified in the Gazette of India.

#### 11. Complaints and enquiries relating to misconduct of members

(1) Subject to the provisions of this regulation, a complaint against a member under section 21 shall be investigated and all other enquiries relating to misconduct of such member shall be held by the Disciplinary Committee :

Provided that if the subject matter of a complaint is, in the opinion of the President, substantially the same as or has been covered by any previous complaint or information received, the Secretary shall file the said complaint without any further action and inform the complainant accordingly.

(2) A complaint under section 21 shall be in the appropriate Form.

(3) Such complaint shall contain the following particulars, namely :

(a) the acts and omissions which, if proved, would render the person complained against guilty of professional or other misconduct;

(b) the oral and/or documentary evidence relied upon in support of the allegations made in the complaint.

(4) The Secretary shall return a complaint which is not in the appropriate Form or which does not contain the aforesaid particulars to the complainant for representation after removing the objections thereto and within such time as the Secretary may specify.

(5) Ordinarily within sixty days of the receipt of a complaint under section 21, the Secretary shall—

(a) if the complaint is against a member, send a copy thereof to such member at his professional address or his residential address, if he has no professional address, as entered in the Register;

(b) if the complaint is against a firm, send a copy thereof to the firm at the address of its head office, as entered in the register of offices and firms, with a notice calling upon the firm to disclose the name of the member who is answerable to the charge of misconduct and send a copy of the complaint to him.

#### Explanation

A notice to the firm shall be deemed to be a notice to all the members who are partners or employees of that firm.

(6) A member against whom the complaint is made (hereinafter referred to as the respondent) may, within fourteen days of the service of a copy of the complaint

under sub-regulation (5), or within such time as may be extended by the Secretary, forward to the Secretary a written statement in his defence verified in the same manner as the complaint.

(7) On a perusal of the complaint and the written statement, if any, the President may call for such additional particulars or documents connected therewith either from the complainant or the respondent as he may consider expedient.

(8) (i) If on a perusal of the complaint and the written statement, if any, and other relevant documents, the Council is of opinion that there is a *prima facie* case against the respondent, the Council shall cause an enquiry to be made in the matter by the Disciplinary Committee.

(ii) If, on the other hand, the Council is of opinion that there is no *prima facie* case against the respondent, the complaint shall be filed and the complainant and the respondent shall be informed accordingly.

(9) (i) Any notice issued by the Secretary under this regulation shall be sent to the member or the firm, as the case may be, by registered post with acknowledgement due.

(ii) If any such notice is returned unserved with an endorsement to the effect that the addressee had refused to accept the notice, the notice shall be deemed to have been served.

(iii) If the notice is returned with an endorsement to the effect that the addressee cannot be found at the address given, the Secretary shall ask the complainant to supply to him the correct address of the member or the firm, as the case may be.

(iv) A fresh notice shall be issued to the member or the firm at the correct address.

(10) The provision relating to a notice shall apply '*mutatis mutandis*' to a letter.

#### 12. Information relating to misconduct of members

The procedure laid down in regulation 11 shall, so far as may be, apply to any information received under section 21.

#### 13. Procedure in enquiry before the Disciplinary Committee

(1) It shall be the duty of the Secretary to place before the Disciplinary Committee all the facts brought to his knowledge which are relevant for the purpose of the enquiry by the Disciplinary Committee.

(2) The respondent shall have a right to defend himself before the Disciplinary Committee either in person or through a legal practitioner or any other member.

(3) Except as otherwise provided in these Regulations, the Disciplinary Committee shall have the power to regulate its procedure in such manner as it considers just and expedient.

(4) Where, in the course of an enquiry, the personnel of the Disciplinary Committee is changed for any reason whatsoever, the respondent shall have the right to have the enquiry made *de novo* and if he exercises that right, the enquiry shall be conducted *de novo*.

#### 14. Report of the Disciplinary Committee

(1) The Disciplinary Committee shall submit its report to the Council.

(2) The Council shall consider the report of the Disciplinary Committee and if, in its opinion, a further enquiry is necessary, shall cause such further enquiry to be made whereupon a further report shall be submitted by the Disciplinary Committee.

(3) The Council shall, on the consideration of the report and the further report, if any, record its findings.

(4) If the finding is that there is no case for passing one of the orders specified in clauses (a) or (b) of sub-section (4) of section 21, the complainant and the respondent shall be informed accordingly.

#### 15. Procedure in a bearing before the Council

(1) If the Council, in view of its findings, is of opinion that there is a case for passing one of the orders specified in clauses (a) or (b) of sub-section (4) of section 21, it shall—

(a) furnish to the respondent a copy of the report of the Disciplinary Committee and a copy of its findings; and

(b) give him a notice indicating the order proposed to be passed against him and calling upon him to appear before it on a specified date or if he does not wish to be heard in person, to send within a specified time, such representation in writing as he may wish to make against the proposed order.

(2) The scope of the hearing or of the representation in writing, as the case may be, shall be restricted to the order proposed to be passed.

(3) The Council shall, after hearing the respondent, if he appears in person, or after considering the representation, if any, made by him, pass such orders as it may think fit.

(4) The orders passed by the Council shall be communicated to the complainant and the respondent.

#### 16. Notification of removal

The removal of a member's name from the Register shall be notified in the Gazette of India and shall also be communicated in writing to him.

#### 17. Restoration to membership

The Council may, on an application in the appropriate Form, received in this behalf from a member whose name has been permanently or temporarily removed from the Register restore his name, if he is otherwise eligible to such membership, on his paying before such restoration, the balance of the entrance fee, if any, the annual membership fee and the annual fee on behalf of the Regional Council for the year during which his name is restored, and, if his name has been removed under clause (c) of sub-section (1) of section 20, a restoration fee of twentyfive rupees together with the arrears on account of the annual membership fee, subject to a maximum of three hundred rupees :

Provided that the restoration of a member's name which was removed under the orders of the High Court shall be effected only in accordance with such orders.

#### 18. Notification of restoration

The restoration of a member's name to the Register shall be notified in the Gazette of India and shall also be communicated in writing to him.

### CHAPTER III

#### EXAMINATIONS

#### 19. Conditions to become a member

Except as otherwise provided for in the Act or these Regulations a person wishing to qualify himself for membership of the Institute shall pass the Preliminary, Intermediate and Final Examinations, and complete the practical training as provided in Schedule B.

#### 20. Conduct of examinations

(1) The examinations shall be conducted in such manner and at such times and places as the Council may direct :

Provided that there shall be at least one examination in each year.

(2) The dates and places of the examination and other particulars shall be notified in the Gazette of India.

#### 21. Application for admission to an examination

An application for admission to an examination shall be made in the approved form a copy of which may be obtained from the Secretary and, together with the fee fixed for the examination, shall be sent so as to reach the Council in accordance with the directions given by it.

#### 22. Right to refuse admission to examination

(1) The Examination Committee or a person authorised by it in this behalf may, for a sufficient reason to be recorded, refuse to admit a candidate to an examination or admit him to an examination, subject to such conditions as it or he may consider to be reasonable in the circumstances of the case or may for any sufficient reason to be recorded, refuse a candidate admission to an examination hall or expel him from an examination hall, after he has been admitted to it in the usual course.

(2) Notwithstanding the fact that a candidate has obtained the minimum number of marks for passing an examination, the Examination Committee may, after giving an opportunity to the candidate of being heard, for reasons to be recorded in writing, refuse to declare him to have passed the examination.

(3) Any order passed by the Examination Committee or the person authorised by it, may be reviewed either by the Council or an authority appointed by it for this purpose.

#### 23. Refund of fees

(1) The fee paid by a candidate who has been admitted to an examination, shall not, except as otherwise provided in sub-regulation (2), be refunded.

(2) Where a candidate applies to the Council within fifteen days of the last date of the examination, for the transfer of the fee for the examination on the ground that he was prevented from attending the examination on account of circumstances beyond his control, the Council may permit the fee paid by such a candidate to be appropriated towards the fee payable for the next examination only.

#### 24. Candidates to be supplied with admission tickets

An admission ticket stating the place, dates and times at which the candidate may present himself for an examination shall be sent to each candidate to the address given by him in his application so as to reach him not less than fourteen days before the commencement of the examination.

#### 25. Examination results

(1) (a) A list of candidates declared successful at each examination shall be published.

(b) The names of candidates obtaining distinction in the examination shall be indicated in the list.

(c) Every candidate shall be individually informed of his result.

(2) Notwithstanding anything contained in schedule B, the Council may, in its discretion, vary the minimum number of marks required for passing an examination.

(3) A candidate who passes at one sitting an examination with seventy per cent of the total marks for all the papers for that examination shall be considered to have passed the examination with distinction.

(4) (i) Information as to whether a candidate's answers in any particular paper or papers of any examination have been examined and marked shall be supplied to the candidate on his submitting within a month of the declaration of the result of the said examination, an application accompanied by a fee of ten rupees for all or any of the papers.

(ii) The fee shall be only for verifying whether the candidate's answers in any particular paper or papers have been examined and marked, and not for the re-examination of the answers.

(iii) The marks obtained by a candidate in individual questions or in sections of a paper shall not be supplied.

(iv) If as a result of such verification, it is discovered that there has been either an omission to examine or mark any answer or answers or there has been a mistake in the totalling of the marks, the fee for verification shall be refunded in full to the candidate.

(5) Every candidate shall be furnished free with a statement of marks obtained by him in the papers in which he has appeared in the examination :

Provided that if a request for the statement of marks secured by a candidate at any examination is received after the expiry of two months, from the date of the declaration of the result of the examination, the statement shall be furnished on payment of a fee of two rupees for each paper, subject to a maximum of five rupees for all the papers in the case of the Preliminary or the Intermediate Examination or in any one Group of the Final Examination and ten rupees for all the papers of the Final Examination.

#### 26. Examination certificates

A candidate passing the Preliminary, Intermediate and Final Examination shall be granted a certificate to that effect in the appropriate Form.

#### 27. Disciplinary action in connection with examinations

If a candidate is reported to have behaved in a disorderly manner in or near an examination hall or is reported to have resorted to or attempted to have resorted to unfair means for the purpose of passing an examination, the Council may, on receipt of a report to that effect and after such investigation as it may deem necessary, take such disciplinary action as it may think fit provided that an opportunity shall be given to the candidate of being heard before an order adverse to him is passed.

*Explanation*

Disciplinary action may include the cancellation of any examination result in relation to the candidate.

**28. Examiners**

The Council shall, in consultation with the Examination Committee, maintain a list of approved examiners for the purpose of the examinations under these Regulations.

**CHAPTER IV****ARTICLED AND AUDIT CLERKS****29. Engagement of articled clerks**

(1) (a) Associates and fellows, who are in practice, or who are deemed to be in practice within the meaning of sub-section (2) of section 2, shall, subject to the provisions of these Regulations, be entitled to engage and train articled clerks.

(b) A fellow in practice may engage two articled clerks :

Provided that if he has been in continuous practice for not less than seven years (including practice before the commencement of the Act) or if he has been in continuous practice as a fellow for not less than two years, he may engage three articled clerks :

Provided further that if he has been in continuous practice for not less than fifteen years (including practice before the commencement of the Act) or has been in continuous practice as a fellow for not less than ten years, he may engage four articled clerks.

(c) An associate in continuous practice for not less than three years (including practice before the commencement of the Act) may engage one articled clerk.

(d) An associate or a fellow in the service of a chartered accountant in practice entitled to train articled clerk or a firm of chartered accountants in practice having at least one partner entitled to train articled clerk, may engage one articled clerk.

(e) An associate practising in partnership with another chartered accountant entitled to train articled clerk or a firm of chartered accountants having at least one partner entitled to train articled clerk, may engage one articled clerk.

*Explanation I*

For the purpose of this regulation, a member in practice means a member who is, in the opinion of the Council, mainly engaged in practice which is suitable for training an articled clerk for the profession of accountancy.

*Explanation II*

A member who ceases to be in practice or gives up service under a chartered accountant in practice or a firm of such chartered accountants and who at the time of such discontinuance of such practice or such service, has an articled clerk serving under him, shall not engage any articled clerk, if subsequently he sets up practice or takes up service under a chartered accountant in practice or a firm of such chartered accountants until such time as the articled clerk who was serving under him previously, completes the period of his articles.

(2) The Council may, subject to such terms and conditions as it may deem fit, relax in any case any of the provisions of this regulation.

**30. Member not to engage in India articled clerks under the bye-laws of any other Institute or Society**

No member shall engage in India articled clerks under the bye-laws of any other Institute or Society, except in accordance with the permission granted by the Council.

**31. Premium from articled clerks**

(1) No articled clerk shall be required to pay a premium exceeding two thousand rupees.

(2) Subject to satisfactory service and good conduct of the articled clerk, any premium charged by the employer shall be refunded by him in full to the articled clerk in such instalments as the former may deem fit but in any case not later than fourteen days after the date of the completion or termination of the articles, as the case may be.

(3) Where the premium charged by the employer exceeds five hundred rupees, it shall be deposited in a separate account with a scheduled bank; but where such premium is to be refunded in a lump sum, it shall be kept as a fixed deposit with a scheduled bank and together with the interest accrued thereon shall, subject to satisfactory

service and good conduct of the articled clerk, be refunded to him not later than fourteen days after the date of completion or termination of the articles, as the case may be :

Provided that if the articles are cancelled under regulation 37, the premium or balance of the premium, if any, shall be transferred by the employer to the Council for such use as it may deem fit.

(4) Where an articled clerk does not complete the articles, any dispute between him and the employer in relation to the refund of the premium shall be referred to the Council and the decision of the Council thereon shall be binding on the articled clerk and the employer.

(5) Notwithstanding anything contained in sub-regulations (1) to (4), no premium shall be charged or be payable in the case of articled clerks entering into preliminary service on or after the 18th day of July 1964.

**32. Admission to articleship**

(1) A member entitled to engage articled clerks under these Regulations shall, before accepting a person as an articled clerk, satisfy himself that :

(a) his professional practice or that of his employer, if he is an employee of a chartered accountant in practice or a firm of such chartered accountants, is suitable for the purpose of training articled clerks and;

(b) such person : (i) is not less than sixteen years of age on the date of commencement of the articles, and (ii) either has passed the Preliminary Examination or the Intermediate Examination under these Regulations or is a graduate or has passed the National Diploma in Commerce Examination held by the All India Council for Technical Education, or has passed the Government Diploma in Accountancy Examination or an Examination recognised as equivalent thereto by the rules for the award of the Government Diploma in Accountancy :

Provided that nothing contained in this regulation shall prevent him from engaging as an articled clerk a person who had entered into articles or audit service previous to the 1st day of July 1956.

(2) A member entitled to engage articled clerks shall, before executing the articles in the appropriate Form, require a person who is to be articled to him, to serve him for a period of sixty days, hereinafter referred to as preliminary service.

*Explanation*

Where the person is required to render preliminary service to another member entitled to train articled clerks by reason of the removal of the name of the former member from the Register for any reason or by reason of the cancellation of the certificate of practice of the former member or by reason of the former member ceasing to be mainly engaged in practice, the preliminary service rendered by the person to the former member shall count towards the period of sixty days subject to the condition of registration of the service with the latter member within the time specified in the following sub-regulations.

(3) Registration of such preliminary service shall be made with the Council within a period of ten days from the date of the commencement of such service.

(4) If, on completion of such service, the member is satisfied that the person is suitable for the profession, the articles shall be executed in the appropriate Form and the period of articles shall be taken to have commenced from the date of the commencement of the aforesaid preliminary service.

(5) Nothing contained in sub-regulations (2) to (4) shall prevent the member from accepting a person as an articled clerk whose name has previously been entered in the register of articled clerks or audit clerks.

**33. Regulation of articled clerk as student**

(1) (a) An articled clerk shall register himself as a student of the coaching organisation set up under the aegis of the Institute.

(b) The articled clerk shall submit, by registered post, through his employer, an application in the approved form with the requisite fee, within ten days from the date of the commencement of the preliminary service, for registration as a student of the coaching organisation.

(c) If the application for registration is not submitted within the time specified, the period of service up to a date ten days prior to the date when he submits it for such registration, shall not be counted for the purpose of these Regulations.

(2) Nothing contained in this regulation shall apply to a person who has passed the Government Diploma in Accountancy Examination or an examination recognised as equivalent thereto by the rules for the award of the Government Diploma in Accountancy or who had entered into articles or audit service before the 1st day of July 1956

#### 34 *Execution and registration of articles*

- (1) (i) The articles shall be executed in the appropriate Form
- (ii) The articles shall be executed on printed forms, which shall be supplied free by the Secretary
- (iii) The articles in duplicate, together with the documentary evidence showing that the conditions laid down in regulation 32 are satisfied, shall be sent to the Secretary for registration so as to reach him within ninety days of the commencement of the period of the articles or within thirty days of the execution of the articles whichever is earlier

(2) The articles shall be accompanied by a statement in the appropriate Form giving particulars about the name, the father's name, the residence, the date of birth and the educational qualifications of the articled clerk

(3) The articles shall be stamped and shall be accompanied by a fee of thirty rupees

(4) The Council may, after giving an opportunity to a clerk of being heard, refuse to register his articles

#### 35 *Register of articled clerks*

A register of articled clerks shall be maintained by the Council

#### 36 *Articled clerk not to engage in any other occupation*

Without the previous permission of the Council no articled clerk shall during the period of his service as an articled clerk, take any other course of study or training, whether academic or professional, or engage in any business or occupation

#### 37 *Cancellation of articles*

(1) On proof of any misconduct or breach of regulation 36 or breach of any of the covenants contained in the articles, the Council may cancel the registration of the articles or direct that any period already served under such articles shall not be reckoned as service for the purpose of the period of practical training specified in Schedule B

(2) The clerk, the registration of whose articles has been cancelled under this regulation, shall not, except with the permission of the Council, be retained or taken as an articled or audit clerk by any member

#### 38 *Termination of service*

(1) In the case of an articled clerk commencing preliminary service on or after the 18th day of July 1964, the employer shall terminate his service if—

- (i) the articled clerk has been classified as a bad failure at the Intermediate Examination, has been given a warning to improve his performance and fails to pass the said examination at either of the two next following examinations, or
- (ii) the articled clerk fails to pass the Intermediate Examination at any of the six examinations held immediately after he became entitled to appear in the said Examination.

#### *Explanation*

For the purpose of this sub-regulation, a candidate shall be classified as a bad failure at the Intermediate Examination, if he secures less than 30% of the total marks of all the papers

(2) A notice of two months terminating the service shall be given by the employer. The notice shall be given within one month of the date of the receipt of communication by the employer from the office of the Institute that the articled clerk has failed to pass the Intermediate Examination in accordance with clause (i) or clause (ii) of sub-regulation (1)

(3) The articled clerk may, before the expiry of the notice terminating his service make an appeal to the Council

(4) The Council may, after giving an opportunity to the employer and the articled clerk of being heard, pass

such order as it may think fit and communicate it to the employer and the articled clerk.

(5) The order of the Council shall be final

(6) If the articled clerk has preferred an appeal the notice terminating his service shall be deemed to have been suspended from the date of the receipt of the appeal by the Council until the order of the Council disposing of the appeal is communicated to the parties

(7) If the appeal is dismissed, the service shall be terminated on the expiry of the notice after making allowance for the period during which the notice was deemed to have remained suspended

(8) The articled clerk whose service has been terminated shall not be allowed to appear at any of the examinations held by the Institute and shall not be engaged as an articled or audit clerk by any other member

#### 39 *Complaint against the employer*

(1) Where an articled clerk makes a complaint against his employer to the Council, the Council may cause an investigation to be made and take such action as it may consider expedient

(2) The President may, pending an investigation of the complaint, either terminate or suspend the articles and allow the articled clerk to be accepted as an additional articled clerk by a member, notwithstanding anything contained in regulation 29.

#### 40 *Fresh Articles*

- (1) (a) Where the employer has ceased to practise, or
- (b) where the employer's name has been removed from the Register, or
- (c) where the employer is dead, or
- (d) where the articles are terminated under sub-regulation (1) of regulation 42, or

(e) for any other valid reason, an articled clerk is not able to complete the term of the articles, he may, with the permission of the President, enter into fresh articles for the remainder of the term of service with another member entitled to engage and train articled clerks

(2) Such fresh articles shall be executed in the appropriate Form

(3) The provisions of regulation 34 shall apply '*mutatis mutandis*' except that no fee shall be payable by the articled clerk

#### 41 *Change of status of employer*

(1) Where a salaried employee of a chartered accountant in practice or of a firm of such chartered accountants sets up practice independently, his articled clerk shall remain with him from the date of setting up practice independently

Provided that the President may, in an appropriate case, direct that the articled clerk shall serve the chartered accountant in practice or the firm of such chartered accountants, as the case may be

(2) Where a salaried employee of a chartered accountant in practice or of a firm of such chartered accountants does not set up practice independently, his articled clerk shall, subject to the approval of the President, serve the chartered accountant in practice or the firm of such chartered accountants, as the case may be.

(3) In the case referred to in the proviso to sub-regulation (1) or in sub-regulation (2), fresh articles shall be executed and the provisions of regulation 34 shall apply '*mutatis mutandis*', except that no fee shall be payable by the articled clerk.

#### 42 *Termination or assignment of articles*

(1) Articles may, by agreement between the articled clerk and his employer, be terminated and assigned to another employer. The Articles shall also terminate on the articled clerk opting for industrial training

(2) An assignment under sub-regulation (1) shall be in the appropriate Form

(3) The provisions of regulation 34 shall apply '*mutatis mutandis*' except that no fee shall be payable by the articled clerk.

#### 43 *Supplementary articles*

(1) An articled clerk who has taken leave in excess of the period allowed under regulation 44 shall be required to serve for a period equivalent to the excess leave taken,



in continuation of the articles, and for this purpose, execute a supplementary deed of articles in the appropriate Form.

(2) The supplementary deed shall be stamped and shall be sent to the office of the Institute so as to reach within sixty days of the expiry of the current articles.

(3) No fee shall be charged for the registration of the supplementary articles.

#### 44. *Leave to an articulated clerk*

(1) An articulated clerk shall earn leave at the rate of one-eighth of the period for which he has served :

Provided that an articulated clerk who was in service on 18th day of July 1964 shall earn leave at the rate of one-sixth of the period for which he has served.

(2) An articulated clerk, who has served as an audit clerk immediately before the commencement of his articles, shall, in addition to the leave earned under this regulation, be entitled to leave equal to one-half of the accumulated leave earned by him as an audit clerk, subject to a maximum of two months.

(3) Leave due shall ordinarily be granted if reasonable notice has been given to the employer by the articulated clerk.

(4) Leave not earned and due may also be granted by the employer subject to the condition that the total leave to be taken by the articulated clerk shall not exceed one-eighth or one-sixth of the total period of his service, as the case may be, together with leave due under sub-regulation (2).

(5) For the purpose of preparing for an examination of the Institute, the articulated clerk shall be granted by the employer leave for two months or to the extent due, whichever is less provided an application for the leave has been made at least fifteen days in advance.

(6) Notwithstanding anything contained in sub-regulation (5), the employer may grant to the articulated clerk leave for more than two months, if such leave is due to him.

(7) Notwithstanding anything contained in the foregoing sub-regulations, the employer shall allow the articulated clerk to receive training in the Territorial Army, the Home Guards or any similar organisation approved by the Council and shall not treat the period (not exceeding sixty days in a year) during which the latter receives training and absents himself from his duty as an articulated clerk, as leave availed of by him.

#### 45. *Working hours for an articulated clerk*

The working hours of an articulated clerk shall, subject to a maximum of thirtyfive working hours in a week, be regulated by the employer.

#### 46. *Report to the Council*

An employer shall on completion, discontinuance or termination of the service of an articulated clerk forthwith issue to the articulated clerk a certificate in the appropriate Form, in respect of the service rendered under him and forward a copy thereof to the Council.

#### 47. *Certificate of service on the death of employer*

Where the employer dies, his legal representative or where at the time of his death, he was carrying on practice with another member, the surviving partner shall issue to the articulated clerk a certificate in the appropriate Form, in respect of the service rendered and forward a copy thereof to the Council.

#### 48. *Audit clerks*

(1) A member in continuous practice for a period of not less than three years (including practice before the commencement of the Act) shall be entitled to employ two audit clerks for the purpose of registration with the Institute :

Provided that if he has been in continuous practice for not less than fifteen years (including practice before the commencement of the Act) or has been in continuous practice as a fellow for not less than ten years, he may employ one more audit clerk :

Provided further that the Council may, subject to such terms and conditions as it may deem fit, relax in any case any of the provisions of this regulation

#### *Explanation*

For the purpose of this regulation, a member in practice means a member who is, in the opinion of the Council, mainly engaged in practice which is suitable for training an audit clerk for the profession of accountancy.

(2) A member in practice before employing a person for service as an audit clerk shall satisfy himself that such person—

(a) is not less than sixteen years of age on the date of the commencement of service as an audit clerk, and

(b) either has passed the Preliminary Examination, or the Intermediate Examination under these Regulations or is a graduate or has passed the National Diploma in Commerce Examination held by the All India Council for Technical Education, or has passed the Government Diploma in Accountancy Examination or an examination recognised as equivalent thereto by the rules for the award of the Government Diploma in Accountancy :

Provided that nothing contained in this regulation shall prevent him from employing as an audit clerk a person who had entered into articles or audit service previous to the 1st day of July 1956.

(3) (i) A member entitled to employ audit clerks shall, before sending the particulars for registration as prescribed in regulation 50, require a person who is to be employed as an audit clerk, to serve him for a period of one hundred and twenty days, hereinafter referred to as preliminary service.

#### *Explanation*

Where the person is required to render preliminary service to another member entitled to employ audit clerks by reason of the removal of the name of the former member from the Register for any reason or by reason of the cancellation of the certificate of practice of the former member or by reason of the former member ceasing to be mainly engaged in practice, the preliminary service rendered by the person to the former member shall count towards the period of one hundred and twenty days, subject to the condition of registration of the service with the latter member within the time specified in the following clause.

(ii) Registration of such preliminary service shall be made with the Council within a period of ten days from the date of the commencement of such service.

(iii) If on completion of such service, the member is satisfied that the person is suitable for the profession, the date of the commencement of audit service shall be taken to be from the date of the commencement of the preliminary service.

(4) Nothing contained in sub-regulations (2) and (3) shall prevent a member from employing as an audit clerk, a person whose name is already entered in the register of audit clerks or articulated clerks.

(5) (i) An audit clerk shall register himself as a student of the coaching organisation set up under the aegis of the Institute.

(ii) The audit clerk shall submit by registered post through his employer, an application in the approved form with the requisite fee within ten days from the date of the commencement of audit service or date of the expiry of the preliminary service, whichever is later, for registration as a student of the coaching organisation.

(iii) If the application for registration as a student of the said coaching organisation is not submitted within the time specified, the period of service up to a date ten days prior to the date when he submits it for such registration, shall not be counted for the purposes of these Regulations.

(6) Notwithstanding anything contained in sub-regulation (5), the Examination Committee may relax its provisions in the case of a person who, having entered into audit service before the 1st day of January 1957, has registered himself as a student of the said coaching organisation.

(7) Nothing contained in sub-regulation (5) shall apply to a clerk who has passed the Government Diploma in Accountancy Examination or an examination recognised as equivalent thereto by the rules for the award of the Government Diploma in Accountancy, or who had entered into articles or audit service before the 1st day of July 1956.

#### 49. *Register of audit clerks*

A register of audit clerks shall be maintained by the Council.

#### 50. *Registration of service*

(1) The employer shall send to the Council for registration, particulars about the name and address of the employer, the name, the father's name, the residence, the

date of birth and the educational qualifications of the audit clerk serving under him, in the appropriate Form, with the date of commencement of such service, so as to reach the Secretary within thirty days from the date of the commencement of the audit service or the date of the expiry of the preliminary service, whichever is later.

(2) The Council may, after giving an opportunity to a clerk of being heard, refuse to register his service.

(3) For the purpose of practical training specified in Schedule 'B', service rendered as an audit clerk shall be counted :

(a) where the audit clerk has been registered within the time prescribed by sub-regulation (1), from the date of the commencement of service;

(b) in any other case, from a date one hundred and fifty days prior to the date of receipt in the office of the Institute of the application for registration of the audit clerk under sub-regulation (1).

#### 51. *Audit clerk not to engage in any other occupation*

Without the previous permission of the Council, no audit clerk shall, during the period of his service, take any other course of study or training, whether academic or professional, or engage in any business or occupation.

#### 52. *Report to the Council*

An employer shall, on completion, discontinuance, or termination of the service of an audit clerk issue to the audit clerk a certificate in the appropriate Form in respect of the service rendered under him and forward a copy thereof to the Council.

#### *Explanation*

For purpose of this regulation, the audit service shall be terminated on the audit clerk opting for industrial training.

#### 53. *Certificate of service on the death of employer*

Where the employer dies, his legal representative, or where, at the time of his death, he was carrying on practice with another member, the surviving partner shall issue to the audit clerk a certificate in the appropriate Form, in respect of the service rendered and forward a copy thereof to the Council.

#### 54. *Registration fee*

The audit clerk shall, before his name is entered in the register of audit clerks, remit to the Council a registration fee of twenty rupees :

Provided that no fresh registration fee shall be payable—

(a) where on the termination of audit service, the audit clerk joins another employer in the same town on the same or the following day, or joins an employer in a different town within seven days from the date of such termination and the new employer sends to the Council the particulars as required by sub-regulation (1) of regulation 50 within thirty days from the date of such termination; or

(b) where on the termination of the audit service consequent on the death or the removal from the Register of the name of his employer for any reason whatsoever or consequent on his employer being suspended from practice, the audit clerk joins another employer and gets his audit service with his new employer registered with the Council within thirty days from the date of the termination of service with his previous employer :

Provided further the President may remit the registration fee in a case where he is satisfied that there were reasonable grounds for the termination report not being sent within the prescribed time or not being sent at all.

#### 55. *Leave to Audit Clerk*

(1) An audit clerk may not be allowed leave of absence aggregating to more than one-eighth of the period for which he has served :

Provided that an audit clerk who was in service on the 18th day of July 1964 may not be allowed leave of absence aggregating to more than one-sixth of the period for which he has served.

(2) An audit clerk who has served as an article clerk immediately before the commencement of his audit service shall, in addition to the leave earned under this

regulation, be entitled to leave earned by him as an article clerk, subject to a maximum of two months.

(3) Leave of absence may ordinarily be granted to an audit clerk only for a period aggregating to not more than one-eighth or one-sixth of the period served, as the case may be, till the time the leave is availed of.

(4) Leave not earned and due may also be granted by the employer subject to the condition that the total leave to be taken by the audit clerk shall not exceed one-eighth or one-sixth of the total period of his service, as the case may be, together with leave due under sub-regulation (2).

(5) Notwithstanding anything contained in the foregoing sub-regulations, the employer shall allow the audit clerk to receive training in the Territorial Army, the Home Guards or any similar organisation approved by the Council and shall not treat the period (not exceeding sixty days in a year) during which the latter receives training and absents himself from his duty as an audit clerk, as leave availed of by him.

#### 56. *Cancellation of audit service*

(1) On proof of any misconduct or breach of regulation 51, the Council may, cancel the registration of the audit service, or extend the period of the audit service or direct that any period of past audit service shall not be reckoned as such service for the purposes of practical training specified in Schedule 'B'.

(2) The clerk whose audit service has been cancelled under this regulation, shall not, except with the permission of the Council, be retained or taken as an audit or article clerk by a member.

#### 57. *Complaint against the employer*

(1) Where an audit clerk makes a complaint against his employer to the Council, the Council may cause an investigation to be made and take such action as it may consider expedient.

(2) The President may, pending an investigation of the complaint, either terminate or suspend the audit service.

#### 58. *Termination of service*

(1) In the case of an audit clerk commencing preliminary service on or after the 18th day of July 1964, the employer shall terminate his service if—

(i) the audit clerk has been classified as a bad failure at the Intermediate Examination; has been given a warning to improve his performance and fails to pass the said Examination at either of the two next following examinations; or

(ii) the audit clerk fails to pass the Intermediate Examination at any of the six examinations held immediately after he became entitled to appear in the said Examination.

#### *Explanation*

For the purpose of this sub-regulation, a candidate shall be classified as a bad failure at the Intermediate Examination, if he secures less than 30% of the total marks of all the papers.

(2) A notice of two months terminating the service shall be given by the employer. The notice shall be given within one month of the date of the receipt of communication by the employer from the office of the Institute that the audit clerk has failed to pass the Intermediate Examination in accordance with clause (i) or clause (ii) of sub-regulation (1).

(3) The audit clerk may, before the expiry of the notice terminating his service, make an appeal to the Council.

(4) The Council may, after giving an opportunity to the employer and the audit clerk of being heard, pass such order as it may think fit and communicate it to the employer and the audit clerk.

(5) The order of the Council shall be final.

(6) If the audit clerk has preferred an appeal the notice terminating his service shall be deemed to have been suspended from the date of the receipt of the appeal by the Council until the order of the Council disposing of the appeal is communicated to the parties.

(7) If the appeal is dismissed, the service shall be terminated on the expiry of the notice after making allowance for the period during which the notice was deemed to have remained suspended.



(8) The audit clerk whose service has been terminated shall not be allowed to appear at any of the examinations held by the Institute and shall not be engaged as an audit or article clerk by any other member.

## CHAPTER V

### STUDENTS' ASSOCIATION

#### 59. Constitution of students' associations

(1) The Council may constitute a students' association for each of the regional constituencies as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9.

(2) A students' association shall be constituted in such manner and shall exercise such functions as may be specified by the Council by notification in the Gazette of India.

(3) A students' association shall function subject to the control, supervision and direction of the Council exercised through the respective Regional Council and shall be managed by a managing committee of fifteen members of which three members shall be nominated by the Regional Council.

(4) The Chairman shall be elected by the managing committee.

(5) The Council may establish a branch of a students' association and may issue such directions as it may consider expedient in regard to the duties and functions of the branch.

(6) Any person who enters into articles or audit service on or after 1st day of April 1957 shall become a member of the students' association of his region and shall remit, for the benefit of his association, a sum of five rupees along with his application for registration of his articles or audit service, as the case may be.

(7) The Council may, from time to time, make financial grants to the students' associations.

## CHAPTER VI

### ELECTIONS

#### 60. Dates of election

The following dates relating to the election of members to the Council, namely the last date for the receipt of nominations, the last date for the withdrawal of nominations, the date or dates of polling, the date for receipt of voting papers by post, the date or dates for the counting of votes and the date for the declaration of the result, shall be decided by the Council and notified by it in the Gazette of India at least three months before such dates.

#### 61. Members eligible to vote

(1) A member shall be entitled to vote in an election to the Council from the regional constituency within whose territorial jurisdiction his professional address falls on a date immediately six months prior to the date on which the list of members eligible to vote in the election is published provided his name has been borne on the Register continuously for a period of not less than six months immediately prior to the date of the publication of the list and he is not in arrears in respect of the annual membership fee and the Regional Council fee on the 30th June of the year in which the election is to be conducted.

(2) A member whose name stands removed from the Register on the date on which he is to cast his vote shall not be considered eligible to vote at the election notwithstanding the fact that his name has been published in the list of voters.

#### 62. Qualifications of members to stand for election

A fellow whose name is included in the list of voters published under sub-regulation (1) of regulation 64 and who is eligible to vote at the election shall be eligible to stand for election to the Council from the regional constituency in which his name is included.

#### 63. Number of members to be elected

(1) The number of members to be elected from each regional constituency shall be one member for every two hundred and ninety members in the constituency, fractions exceeding half being counted as one and fractions equivalent to or less than half being omitted.

(2) Notwithstanding anything contained in sub-regulation (i), each constituency shall have at least two persons elected therefrom to the Council.

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#### 64. List of voters

(1) At least three months before the date or dates of polling fixed for an election, the Council shall publish a list of members eligible to vote constituencywise showing *inter-alia* distinctly and separately—

- (i) whether the voter is an associate or a fellow;
- (ii) the polling booth to which the voter is attached and in which he may exercise his franchise; and
- (iii) the location of the polling booth.

#### Explanation

The address of a member published in the list of voters shall be final for determining the manner in which he shall be entitled to cast his vote or the constituency or the polling booth to which he shall belong for the purposes of casting his vote :

Provided that in a city where there is more than one polling booth, the Secretary may, in his discretion, permit a member attached to a booth to vote at another booth, on an application made in this behalf stating the reasons why he wants to vote at the other booth on or before the 15th day of June of the year in which the election is to be held.

(2) The list of members shall be put on the notice board of the Council and the notice boards of the Regional Councils.

(3) The list shall be available on payment of such price as may be fixed by the Council.

(4) The Council shall notify in the Gazette of India and the Institute's journal the fact that such list is available on payment.

(5) At least 3 months before the date or dates of polling fixed for an election, the Council shall publish in the Gazette of India a notice stating the number of members to be elected and calling for nominations of candidates for election by a specified date which shall not be less than 14 days from the date of the publication of the notice.

#### 65. Nominations

The nomination of a candidate shall be in the appropriate Form duly signed by the candidate and by the proposer and the seconder both of whom shall be persons entitled to vote in the election and shall be forwarded by registered post to the Secretary by name so as to reach him on or before the specified date.

#### 66. Fee for election

(1) A candidate for election shall pay in all a fee of two hundred rupees irrespective of the number of nominations.

(2) A candidate whose nomination is held to be invalid shall be entitled, on an application made by him in this behalf, to the refund in full of the fee

#### 67. Withdrawal of candidature

(1) A candidate may withdraw his candidature by notice in writing subscribed by him and delivered to the Secretary before 3.00 p.m. on the seventh day following the last date fixed for the receipt of nominations.

(2) A candidate who has withdrawn his candidature shall be incompetent to cancel his withdrawal.

(3) The withdrawal of candidature shall be intimated by the Secretary to the other candidates standing for election from the same constituency.

(4) A candidate who has withdrawn his candidature in accordance with sub-regulation (1) shall be entitled, to the refund in full of the fee paid by him under sub-regulation (1) of regulation 66.

#### 68. Scrutiny of nominations

(1) The Secretary shall scrutinize the nomination papers of all the candidates except those whose candidature has been withdrawn under sub-regulation (1) of regulation 67, and shall endorse on each nomination paper his decision whether he accepts or rejects the nomination.

(2) The Secretary shall record a brief statement of his reasons if he rejects a nomination.

(3) The Secretary shall refuse or reject a nomination if he is satisfied :—

(i) that the candidate was ineligible to stand for election; or

(ii) that the proposer or the seconder was not qualified to subscribe to the nomination of the candidate in the appropriate Form; or

(iii) that the signature of the candidate or of the proposer or the seconder is not genuine or has been obtained by force or fraud; or

(iv) that the candidate or the proposer or the seconder is in arrears in respect of the annual membership fee and the Regional Council fee on the 1st day of May of the year in which the election is to be held; or

(v) that there has been a failure to comply with the provisions of regulations 65 or 66.

#### *Explanation*

The rejection of the nomination of a candidate by reason of any irregularity in respect of that nomination is no bar to the acceptance of another nomination which is valid in respect of the same candidate

#### *69. Appeal against refusal or rejection of a nomination*

(1) A candidate whose nomination has been refused or rejected by the Secretary shall have a right of appeal against the decision of the Secretary.

(2) An appeal shall be presented to the Council within ten days of the date on which such refusal or rejection is communicated to him and the same shall be heard by a Committee appointed by the Council in this behalf.

(3) The Committee shall consist of any three persons :

Provided that a candidate for the election shall not be a member of the Committee.

(4) The Committee shall have the power to inspect documents, examine witnesses, record evidence, receive affidavits, grant adjournments, and shall have such other powers as may be necessary for the efficient and due performance of its duties.

(5) The decision of the Committee shall be final.

#### *70. Preparation of lists of valid nominations*

(1) On completion of the scrutiny of the nominations, the Secretary shall forthwith prepare a list of valid nominations for each constituency and cause a copy of the list to be sent by registered post to each candidate from that constituency whose nomination has been accepted as valid.

(2) The list shall contain full names in alphabetical order and the addresses of the validly nominated candidates for each constituency.

#### *71. Death or cessation of membership of a candidate*

If a candidate dies or otherwise ceases to be a member before the date or dates of polling fixed for the election but after the date fixed for the withdrawal of candidature under regulation 67 and his nomination is or has been accepted as valid the election in his constituency shall be conducted among the remaining candidates and no fresh proceedings with reference to the election of members in the constituency in which such member was a candidate shall be commenced.

#### *72. Candidates deemed to be elected if their number is equal to or less than the number of members to be elected*

(1) Where the number of candidates validly nominated from any constituency is equal to or less than the number of members to be elected from that constituency, or where the number of candidates from any constituency becomes equal to or less than the number of members to be elected from that constituency, by reason of the death or cessation of membership of one or more candidates before the date fixed for polling, such candidates shall be deemed to be elected and the Secretary shall declare all such candidates duly elected.

(2) Where the number of such candidates from the constituency is less than the number of members to be elected from that constituency, the Secretary shall commence fresh proceedings for the election of the remaining members to be elected from that constituency.

#### *73. Admissible number of votes to a voter*

(1) A voter shall have one vote only

(2) The voter in order to cast his vote :

(a) shall place on his ballot paper the figure 1 in the square opposite the name of the candidate for whom he desires to vote; and

(b) may, in addition, place on his ballot paper the figure 2, or the figures 2 and 3, or 2, 3 and 4 and so on, in the squares opposite the names of other candidates in the order of his preference.

#### *74. Mode of election*

The election shall be by poll and a voter shall cast his vote personally in the booth provided for the purpose except where he is allowed to cast his vote by post, as hereinafter provided.

#### *75. Polling booths*

The Secretary shall set up such number of polling booths and at such places as he deems necessary :

Provided that, in an area covered by a radius of ten miles from each booth, there shall not be less than 10 voters according to their professional addresses, as given in the list of members eligible to vote.

#### *76. Polling officer*

(1) The Secretary shall appoint a polling officer for each polling booth and may also appoint such other persons as he may deem necessary to assist the polling officer.

(2) The polling officer shall, in addition to performing the duties imposed upon him by these Regulations, be in general charge of all arrangements at the polling booth and may issue orders as to the manner in which persons shall be admitted to the polling booth and generally for the preservation of peace and order at or in the vicinity of the polling booth.

#### *77. Secret chamber*

(1) There shall be a secret chamber or chambers in each polling booth.

(2) The chamber shall be so arranged that no person may be able to see how a voter has recorded his vote.

#### *78. Ballot paper*

The ballot paper shall contain a list of the candidates validly nominated for a constituency and shall bear the seal of the Council.

#### *79. Presence of the candidates and their authorised representatives at the polling booths*

(1) A candidate for election from a constituency shall be entitled to be present at the polling booths in that constituency.

(2) He may appoint members as his authorised representatives who shall be entitled to be present on his behalf at the polling booths in that constituency :

Provided that not more than one authorised representative shall be present at a time at each polling booth.

(3) No appointment of an authorised representative shall be valid unless the candidate has sent to the Secretary the particulars of the authorised representative by registered post so as to reach him at least thirty days before the date fixed for the poll.

(4) For the purposes of sub-regulation (3), the particulars shall include the full name, the membership number and the address of the authorised representative and the number of the polling booth at which he is authorised to be present.

#### *80. Voting to be in person and not by proxy*

Voting shall be by ballot and a voter desiring to record his vote, shall do so in person and not by proxy.

#### *81. Appointment of assistants*

The polling officer may employ at the polling booth such persons as he thinks fit to assist him in identifying the voters or for any other purpose.

#### *82. Identification of voters*

(1) At any time before a ballot paper is delivered to a voter, the polling officer may, of his own accord, if he has reason to doubt the identity of the voter or his right to vote at the polling booth, and shall, if so required by a candidate or his authorised representative, put to the voter such questions as he may deem necessary with a view to establish the identity of that voter.

(2) Every voter shall be required to sign the marked copy of the list of members eligible to vote and his signature shall be verified by the polling officer with the specimen signature provided by the Secretary.

(3) If the polling officer is not satisfied as to the identity of the person claiming to be a voter, he may refuse to allow such person to vote in the election.

83. *Record to be kept by the polling officer*

The polling officer shall, at the time of delivery of the ballot paper, place against the name of the voter in the list of members eligible to vote, a mark to denote that that voter has received a ballot paper.

*Explanation*

In deciding the right of a person to obtain a ballot paper, the polling officer shall overlook any clerical or printing error, provided that he is satisfied that such person is identical with the voter whose name appears in the list of voters.

84. *Manner of recording of votes after receipt of ballot paper*

On receiving the ballot paper, the voter shall forthwith proceed into the secret chamber set apart for the purpose and shall record his vote on the ballot paper in the manner specified in regulation 73. He shall thereafter fold the ballot paper; leave the secret chamber and insert the ballot paper in the ballot box provided for the purpose, in the presence of the polling officer.

85. *Ballot box*

The ballot box shall be so constructed that a ballot paper can be inserted therein during the poll but cannot be withdrawn therefrom, without the box being unlocked or the seals being broken.

86. *Return of ballot paper by a voter*

(1) Where a voter, after obtaining a ballot paper, chooses not to vote, he shall return the ballot paper to the polling officer, and the ballot paper so returned, shall then be marked as "cancelled—returned" and kept in a separate envelope set apart for the purpose and a record shall be kept by the polling officer of all such ballot papers.

(2) Where any ballot paper, which was delivered to a voter, is found, with or without any writing thereon, in the secret chamber, at the end of the day, when the polling officer inspects it, it shall be dealt with in accordance with the provisions of sub-regulation (1), as if it had been returned to the polling officer.

87. *Procedure at the polling booth*

(1) A polling booth shall be kept open on the day or days appointed for recording of votes from 8-30 a.m. to 6-30 p.m.

(2) If the polling at any polling booth cannot take place on the day or days appointed for recording of votes or is interrupted or obstructed by any sufficient cause or the ballot box used at the booth is tampered with or is accidentally or deliberately destroyed, lost or damaged, the Secretary or the polling officer, as the case may be, may adjourn the polling to a subsequent date or the Secretary may declare the polling at the booth void and order a fresh polling.

(3) If a polling is adjourned or declared void under sub-regulation (2), the Secretary shall, as soon as possible, appoint the place where the polling shall be subsequently conducted and the time, date or dates, as the case may be, for the said polling.

(4) The place, date or dates and the time of polling, appointed under sub-regulation (3), shall be notified individually to all the voters affected as well as in the Gazette of India.

(5) The Secretary shall not proceed to count the votes cast at the election until the polling at all the polling booths in that constituency has been completed.

(6) The polling officer shall close the polling booth at the end of the day, or if the polling is for more than one day, at the end of each day, at the hour appointed under sub-regulation (1), and no voter shall be admitted thereto after that hour:

Provided that any voter present in the polling booth before it is closed, shall be entitled to have his vote recorded:

Provided further that where the number of voters entitled to vote at any polling booth exceeds 200; the polling booth shall be kept open for two consecutive days, during the same timings, as mentioned in sub-regulation (1)

(7) The polling officer shall, as soon as practicable after the close of the poll or after its close on each day, if the polling is for more than one day, in the presence of any candidates or their authorised representatives who may be present, seal the ballot box with his own seal and the seals of such candidates or authorised representatives as may desire to affix their seals thereon.

(8) The polling officer shall also make up into separate packets:

- (i) the unused ballot papers;
- (ii) the returned ballot papers;
- (iii) the marked copy of the list of members eligible to vote; and
- (iv) any other paper directed by the Secretary to be kept in a sealed cover and seal each such packet with his own seal and the seals of such candidates or authorised representatives as may desire to affix their seals thereon. He shall arrange for the safe custody of the ballot box and such packets

(9) Where the polling is arranged to take place for more than one day, just before the polling booth is opened to the voters on the following day, the polling officer shall, in the presence of any candidates or their authorised representatives who may be present, remove the seal or seals affixed in accordance with sub-regulation (7) and (8), after the seals are examined by him and by the candidates or authorised representatives, for use during the course of that day

(10) The ballot box and packets, referred to earlier shall be accompanied by an account of ballot papers showing the total number of ballot papers received, issued and un-issued, returned, as also the number of ballot papers which should be found in the ballot box and packets. This account shall be forwarded to the Secretary.

88. *Transport of ballot boxes etc. and their custody*

(1) The Secretary and the polling officers shall make adequate arrangements for the safe custody of the ballot boxes and other papers and for the safe transport to the headquarters of the Institute of all the packets or boxes and other papers referred to in regulation 87.

(2) The Secretary shall be responsible for the safe custody of the articles referred to in sub-regulation (1), until the commencement of the counting of votes.

89. *Voting by members employed on duty at polling booths*

The polling officer, the persons appointed by the Secretary to assist the polling officer, or the authorised representatives, referred to in regulation 79, who are voters for any constituency and who, by reason of their being on duty at a polling booth, are unable to be present and to vote at the polling booth where they are entitled to vote, may send, so as to reach the Secretary at least thirty days before the date fixed for the poll at that constituency, an application for permission to vote at the polling booth where they may be on duty. If the Secretary is satisfied that the application is well founded, he may, notwithstanding anything contained hereinbefore, permit the voter to vote at the polling booth where he may be on duty to act as the polling officer or to assist the polling officer or as authorised representative of a candidate:

Provided that such permission shall not be granted to more than one representative of a candidate in respect of each polling booth, if he is specifically nominated for the purpose by the candidate himself.

90. *Eligibility to vote by post*

(1) A member whose name is included in the list of voters and whose name is not attached to any polling booth, and a member who is residing outside India, shall, notwithstanding anything contained in this Chapter, be permitted to vote by post.

(2) A member who is entitled to vote at a polling booth may be permitted, at the discretion of the Secretary, to vote by post (a) if by reason of their being a permanent change in his address from the address published in the list of voters to another village, town or city beyond a radius of ten miles from the polling booth, he is unable to exercise his vote at the polling booth allotted to him or (b) if he is actually residing beyond a radius of ten miles from the polling booth allotted to him.

(3) An application, duly verified, for permission to vote by post shall be sent to the Secretary so as to reach him by the 30th day of June of the year in which the election is to be held and an application received in this behalf after the said date shall not be considered.

(4) Any misuse of this concession, or any misstatement or false verification in this behalf shall render the member liable for disciplinary action under regulation 103.

(5) A member who has been permitted to vote by post shall record his vote before a Magistrate, a Gazetted Officer, a Justice of the Peace or a Notary Public, in a room where no one else shall be permitted to be present.

#### 91. *Secretary to send ballot papers by post*

At least 21 days before the date appointed for the counting of votes, the Secretary shall send by registered post to the voters permitted to vote by post, the ballot paper, together with a letter explaining the manner in which the vote shall be recorded thereon, and specifying the date and hour by which it shall reach the Secretary.

#### 92. *Ballot papers to be returned after recording votes thereon*

A voter on receiving his ballot paper sent under regulation 91, shall, if he desires to vote, record his vote thereon in the manner specified in regulation 73, and sent it to the Secretary so as to reach him before the time specified in this behalf.

#### 93. *Issue of undelivered and fresh ballot papers*

Where a ballot paper and other connected papers sent by post under regulation 91 are lost or damaged in transit or for any reason returned undelivered, the Secretary may reissue them by registered post or deliver them or cause them to be delivered to the voter on his applying for the same, if he is satisfied with the reasons for such loss, damage or return.

#### 94. *Grounds for declaring ballot papers invalid*

A ballot paper shall be invalid—

- (a) if a voter signs his name or writes any word or figure upon it or makes any mark upon it by which the ballot paper becomes recognisable or by which the voter can be identified; or
- (b) if it does not bear the seal of the Council; or
- (c) if the figure 1 is not marked on it; or
- (d) if the figure 1 is set opposite the name of more than one candidate; or
- (e) if the figure 1 and some other figure are put opposite the name of the same candidate; or
- (f) if it is unmarked or void for uncertainty; or
- (g) if any paper, other than the forwarding letter, is sent with it.

#### 95. *Definitions*

In regulation 97, unless there is anything repugnant in the subject or context—

- (i) "continuing candidate" means any candidate not elected and not excluded from the poll at any given time;
- (ii) "first preference" means the figure 1, "second preference" means the figure 2, and "third preference" means the figure 3 set opposite the name of any candidate, and so on;
- (iii) "unexhausted paper" means a ballot paper on which a further preference is recorded for a continuing candidate;
- (iv) "exhausted paper" means a ballot paper on which no further preference is recorded for a continuing candidate;

Provided that a paper shall also be deemed to be exhausted in any case in which—

- (a) the names of two or more candidates, whether continuing or not, are marked with the same figure and are next in order of preference; or
- (b) the name of the candidate next in order of preference, whether continuing or not, is marked by a figure not following consecutively after some other figures on the ballot paper or by two or more figures;

(v) "original vote" in regard to any candidate means a vote derived from a ballot paper on which a first preference is recorded for such candidate;

(vi) "transferred vote" in regard to any candidate means a vote, the value or part of the value of which is credited to such candidate and which is derived from a ballot paper on which a second or subsequent preference is recorded for such candidate;

(vii) "surplus" means the number by which the value of the votes of any candidate, original or transferred, exceeds the quota.

#### 96. *Appointment of time and date for the counting of votes*

The Secretary shall appoint a date or dates and time for each such date, for the counting of votes at the headquarters of the Institute and shall also give notice of such date or dates and time in writing to all the candidates.

#### 97. *Counting of votes*

(1) On the date and at the time and place, appointed under regulation 96, the Secretary shall, for the purpose of counting of votes in respect of a constituency—

(a) open the covers containing the postal ballot papers received by him under regulation 92, and shall take out the ballot papers from each cover and shall record the number thereof in a statement; and shall make a separate packet of those ballot papers;

(b) allow the candidates and their authorised representatives, present at the counting, an opportunity to inspect the ballot boxes and packets received from the polling officers and their seals for satisfying themselves that they are in order; and

(c) proceed as follows :—

(i) If he is satisfied that the ballot boxes and packets which have been received are in order, he shall take up the counting of the ballot papers contained in the ballot boxes.

(ii) If he finds that any of the ballot boxes has been tampered with, he shall not count the ballot papers contained in such box for the purposes of election. (He shall, however, keep a record of such ballot papers for the purpose of election petitions, if any.)

(iii) The ballot boxes found to be in order shall be opened and the ballot papers shall be taken out from them and shall be counted and the number thereof recorded in a statement. To these shall be added the postal ballot papers.

(iv) The ballot papers shall be examined and any invalid ballot papers shall be rejected.

(v) He shall divide the remaining ballot papers into parcels according to the first preferences recorded for each candidate.

(vi) He shall then count the number of papers in each parcel.

(2) In complying with the sub-regulations hereinafter enacted, the Secretary shall—

(a) disregard all fractions,

(b) ignore all preferences recorded for candidates already elected or excluded from the poll.

(3) For the purpose of facilitating the processes specified in the sub-regulations hereinafter enacted, each valid paper shall be deemed to be of the value of one hundred.

(4) The Secretary shall add together the values of the papers in all the parcels and divide the total by a number exceeding by one the number of vacancies to be filled and the quotient increased by one shall be the number sufficient to secure the return of a candidate (hereinafter called the quota).

(5) If at any time, a number of candidates equal to the number of persons to be elected has obtained the quota, such candidates shall be treated as elected, and no further steps shall be taken.

(6) (i) Any candidate, the value of whose parcel, on the first preferences being counted, is equal to or greater than the quota, shall be declared elected.

(ii) If the value of the papers in any such parcel is equal to the quota, the papers shall be set aside as finally dealt with.

(iii) If the value of the papers in any such parcel is greater than the quota, the surplus shall be transferred to the continuing candidates indicated on the voting papers as next in the order of the voters' preference, in the manner specified in the following sub-regulation.

(7) (i) If and when, as the result of any operation specified in these sub-regulations, a candidate has a surplus, that surplus shall be transferred in accordance with the provisions of this sub-regulation.

(ii) If more than one candidate has a surplus, the largest surplus shall be dealt with first and the others in order of magnitude :

Provided that every surplus arising on the first counting of votes, shall be dealt with before those arising on the second count and so on.

(iii) Where two or more surpluses are equal, the Secretary shall decide, as hereinafter provided, which shall first be dealt with.

(iv) (a) If the surplus of any candidate to be transferred arises from original votes only, the Secretary shall examine all the papers in the parcel belonging to the candidate whose surplus is to be transferred, and divide the unexhausted papers into sub-parcels according to the next preferences recorded thereon. He shall also make a separate sub-paragraph of the exhausted papers.

(b) He shall ascertain the value of the papers in each sub-paragraph and of all the unexhausted papers.

(c) If the value of the unexhausted papers is equal to or less than the surplus, he shall transfer all the unexhausted papers at the value at which they were received by the candidate whose surplus is being transferred.

(d) If the value of the unexhausted papers is greater than the surplus, he shall transfer the sub-paragraph of unexhausted papers, and the value at which each paper shall be transferred shall be ascertained by dividing the surplus by the total number of unexhausted papers.

(v) If the surplus of any candidate to be transferred arises from transferred as well as original votes, the Secretary shall re-examine all the papers in the sub-paragraph last transferred to the candidate, and divide the unexhausted papers into sub-parcels according to the next preferences recorded thereon. He shall thereupon deal with the sub-parcels in the same manner as is provided in the case of the sub-parcels referred to in clause (iv).

(vi) The papers transferred to each candidate shall be added in the form of a sub-paragraph to the papers already belonging to such candidate.

(vii) All papers in the parcel or sub-paragraph of an elected candidate not transferred under this sub-regulation shall be set aside as finally dealt with.

(8) (i) If after all surpluses have been transferred, as hereinbefore directed, less than the number of candidates required, has been elected, the Secretary shall exclude from the poll the candidate lowest on the poll and shall distribute his unexhausted papers among the continuing candidates according to the next preferences recorded thereon. Any exhausted papers shall be set aside as finally dealt with.

(ii) The papers containing original votes of an excluded candidate shall first be transferred, the transfer value of each paper being one hundred.

(iii) The papers containing transferred votes of an excluded candidate shall then be transferred in the order of the transfers in which and at the value of which he obtained them.

(iv) Each of such transfers shall be deemed to be a separate transfer.

(v) The process directed by this sub-regulation shall be repeated on the successive exclusions, one after another, of the candidates lowest on the poll until the last vacancy is filled either by the election of a candidate with the quota or as hereinafter provided.

(9) If as the result of a transfer under this regulation, the value of the votes obtained by a candidate is equal to or greater than the quota, the transfer then proceeding shall be completed, but no further papers shall be transferred to him.

(10) (i) If after the completion of any transfer under this regulation, the value of the votes of any candidate shall be equal to or greater than the quota, he shall be declared elected.

(ii) If the value of the votes of any such candidate shall be equal to the quota, the whole of the papers on which such votes are recorded shall be set aside as finally dealt with.

(iii) If the value of the votes of any such candidate shall be greater than the quota, his surplus shall thereupon be distributed in the manner hereinbefore provided, before the exclusion of any other candidate.

(11) (i) When the number of continuing candidates is reduced to the number of vacancies remaining unfilled, the continuing candidates shall be declared elected.

(ii) When only one vacancy remains unfilled and the value of the votes of some one continuing candidate exceeds the total value of all the votes of the other continuing candidates, together with any surplus not transferred, that candidate shall be declared elected.

(iii) When only one vacancy remains unfilled and there are only two continuing candidates, and those two candidates have each the same value of votes and no surplus remains capable of transfer, one candidate shall be declared excluded under the next succeeding sub-regulation and the other declared elected.

(12) If, when there is more than one surplus to distribute, two or more surpluses are equal, or if at any time it becomes necessary to exclude a candidate and two or more candidates have the same values of votes and are lowest on the poll, regard shall be had to the original votes of each candidate, and the candidate for whom fewest original votes are recorded shall have his surplus first distributed, or shall be first excluded, as the case may be. If the values of their original votes are equal, the Secretary shall decide by lot which candidate shall have his surplus distributed or be excluded.

#### 98. *Procedure in case of a tie*

Where after counting of votes, a tie is found to exist between any candidates and the addition of one vote shall entitle any of those candidates to be declared elected, lots shall be drawn and the successful candidate shall be considered to have received an additional vote and shall be declared to be duly elected.

#### 99. *Appointment of scrutinisers*

The Secretary shall appoint two persons who are neither members of the Council nor candidates for election to act as scrutinisers of the voting papers and to assist him generally in counting the votes.

#### 100. *Presence of candidates at the time of counting of votes*

A candidate for election shall be entitled to be present in person or to appoint a member as a representative to be present on his behalf at the time of the counting of votes.

#### 101. *Notification of the declaration of results*

The names of all the candidates declared elected shall be notified by the Council in the Gazette of India.

#### 102. *Finality of Secretary's decision*

(1) The decision of the Secretary shall be final in all matters, not only in regard to the application of the provisions of the regulations contained in this Chapter, but also in respect of all other allied matters not specifically covered by these provisions :

Provided that an appeal against the Secretary's decision may be presented to the Council, by a candidate or his authorised representative, within ten days from the date of communication of the decision to him or his authorised representative, and the appeal shall be dealt with by the same Committee and in the same manner as specified in regulation 69.

(2) No election shall be deemed to be invalid merely by reason of the accidental omission to send, or delay in sending a voting paper to a voter, or the accidental non-receipt of, or delay in receiving, a voting paper by a voter, or any other accidental irregularity or informality in the conduct of the election.

#### 103. *Disciplinary action against member in connection with conduct of election*

A member shall be liable to disciplinary action by the Council, if he adopts one or more of the following practices with regard to the election to the Council, namely :

(1) Bribery, that is to say, any gift, offer or promise, of any gratification to a person whomsoever, by

a candidate or any other person, with his connivance, with the object, directly or indirectly, of inducing—

- (a) a member to stand or not to stand as, or to withdraw from being a candidate at an election; or
- (b) a voter to vote or refrain from voting at an election,

or as a reward to—

(i) a member for having so stood or not stood, or for having withdrawn his candidature; or

(ii) a voter for having voted or refrained from voting.

**Explanation :** For the purposes of this clause, the term "gratification" is not restricted to pecuniary gratifications or gratifications estimable in money, and it includes all forms of entertainment and all forms of employment for regard; but it does not include the payment of any expenses *bona fide* incurred at, or for the purpose of any election.

(2) Undue influence, that is to say, any direct or indirect interference or attempt to interfere on the part of a candidate or of any other person, with his connivance, with the free exercise of any electoral right :

Provided that a declaration of policy or a promise of a particular action, or the mere exercise of a legal right, without intent to interfere with an electoral right, shall not be deemed to be interference within the meaning of this clause.

(3) The publication by a candidate or by any other person, with his connivance, of any statement of fact which is false, and which he either believes to be false or does not believe to be true, in relation to the personal character or conduct of any candidate or in relation to the candidature or withdrawal of any candidate, being a statement reasonably calculated to prejudice the prospects of that candidate's election.

(4) The obtaining or procuring or abetting or attempting to obtain or procure, by a candidate or by any other person, with his connivance, any assistance for the furtherance of the prospects of the candidate's election from any person serving under the Government of India or the Government of any State, other than the giving of vote by such person, if he is a member entitled to vote.

(5) The hiring or procuring, whether on payment or otherwise, of a vehicle by a candidate or by any other person, with his connivance, for the conveyance of voters.

(6) The canvassing for votes, or soliciting the vote of any voter, or persuading any voter not to vote for any particular candidate, or persuading any voter not to vote at the election, or exhibiting any notice or sign (other than an official notice), relating to the election, by a candidate or by any other person, with his connivance, within a distance of 200 metres from a polling booth.

(7) Any act specified in sub-regulations (1) to (6) above, when done by a member, who is not a candidate or a member acting with the connivance of a candidate.

(8) The receipt of, or agreement to receive, any gratification, whether as a motive or a reward—

(a) by a member for standing or not standing, as, or withdrawing from being, a candidate; or

(b) by any member whomsoever for himself or any other person for voting or refraining from voting, or for inducing or attempting to induce any voter to vote or refrain from voting, or any candidate to withdraw his candidature.

(9) Contravention or misuse of any of the provisions of this Chapter or making of any false statement knowing it to be false or without knowing it to be true, while complying with any of the provisions of this Chapter.

#### 104. Election dispute

(1) On receipt of an application under sub-section (2) of section 10, the President shall refer the matter to the Tribunal within thirty days of its receipt.

(2) At the time of giving its decision, the Tribunal may pass such order as to costs as it may consider appropriate.

(3) If the Tribunal is satisfied that an application made under sub-section (2) of section 10, was not founded on a valid ground, the Tribunal may award costs to the Council.

## CHAPTER VII

### REGIONAL COUNCILS

#### 105. Regional Councils

(1) (i) Regional Councils may be constituted for one or more of the regional constituencies mentioned hereunder or as may be specified from time to time by the Central Government under clause (a) of sub-section (2) of section 9.

I. The States of Maharashtra and Gujarat.

II. The States of Andhra Pradesh, Kerala, Madras and Mysore and the Union Territory of Pondicherry.

III. The States of Assam, Nagaland, Orissa and West Bengal and the Union Territories of Manipur and Tripura.

IV. The States of Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan.

V. The Union Territories of Delhi and Himachal Pradesh and the State of Punjab.

(ii) The Regional Councils shall at all times function subject to the control, supervision and direction of the Council and/or any of its Committees.

#### 106. Names of Regional Councils

The Regional Councils set up for the aforesaid regional constituencies shall be known respectively as Western India Regional Council, Southern India Regional Council, Eastern India Regional Council, Central India Regional Council and Northern India Regional Council and the regions covered by the respective constituencies shall be called Western Region, Southern Region, Eastern Region, Central Region, and Northern Region.

#### 107. Jurisdiction of Regional Councils

(1) The jurisdiction of the Western India Regional Council shall extend to the States of Maharashtra and Gujarat or the constituency as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9, which includes the State of Maharashtra.

(2) The jurisdiction of the Southern India Regional Council shall extend to the States of Andhra Pradesh, Kerala, Madras and Mysore and the Union Territory of Pondicherry or the constituency as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9, which includes the State of Madras.

(3) The jurisdiction of the Eastern India Regional Council shall extend to the States of Assam, Nagaland, Orissa and West Bengal and the Union Territories of Manipur and Tripura, or the constituency as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9, which includes the State of West Bengal.

(4) The jurisdiction of the Central India Regional Council shall extend to the States of Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan, or the constituency as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9, which includes the State of Uttar Pradesh.

(5) The jurisdiction of the Northern India Regional Council shall extend to the Union Territories of Delhi and Himachal Pradesh and the State of Punjab, or the constituency as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of section 9, which includes the Union Territory of Delhi.

#### 108. Duties and functions of Regional Councils

The duties and functions of a Regional Council shall be :—

(i) to provide facilities for intercourse among members in its region by regular meetings, arrangement of talks and lectures and for the acquisition and dissemination of useful information;

(ii) to award prizes for professional activities;

(iii) to advise the Council on all matters referred to it and to offer such other assistance as may be required;

(iv) to make representations to the Council in connection with the matters of professional and business interest in its region and to offer suggestions for the amendment of the Act and these Regulations, for raising the standard and status of the profession;



(v) to maintain a regional register of members, and registers of articled clerks and audit clerks in its region;

(vi) to supply routine information to members or to the prospective candidates for articles or examinations;

(vii) to propagate among the members the advisability and the necessity of observing the rules of professional etiquette and the provisions of the Act and these Regulations;

(viii) to collect news from the members of the profession for publication in the Journal of the Institute, if necessary;

(ix) to recommend on its own motion, or on a reference by the Council, names for inclusion in the panel of examiners;

(x) to consider and recommend to the Council books which may be considered useful for candidates intending to appear for the Preliminary, Intermediate and Final Examinations;

(xi) to arrange, if found practicable, for coaching candidates for the aforesaid examinations at convenient centres in its region;

(xii) to gather material from the Departments of the Government in the States within its region for the purpose of enlisting their support in the furtherance of the interests of the members;

(xiii) to run study-circles with sub-committees or branches for auditing, direct taxes, company law, costing, sales-tax, etc.

(xiv) to constitute a permanent research sub-committee for promoting research by members in topics of interest to the profession;

(xv) to maintain a library and a reading room for the use of the members;

(xvi) to hold refresher course camps at convenient centres for the benefit of the members;

(xvii) to maintain an employment exchange for securing suitable employment for qualified accountants and finding suitable qualified accountants for employers; and

(xviii) to carry out such other functions as may be entrusted from time to time to it by the Council and/or any of its Committees.

#### 109. Maintenance of regional register

A Regional Council shall maintain a register to be known as "regional register" in which the names of the members, whose professional addresses are situated in its region, shall be entered.

#### 110. Removal from the regional register

The name of a member, which has been removed from the register, shall *ipso facto* be removed from the relative regional register and the member shall also cease to be a member of the Regional Council.

#### 111. Constitution of Regional Councils

A Regional Council shall consist of—

(i) all the elected and nominated members of the Council in its region; and

(ii) such members as may be elected by the members in the region.

*Explanation :* A nominated member of the Council shall be deemed to be a member of the Regional Council in whose region is situated the address given by the Central Government to the Council.

#### 112. Election to and resignation from Regional Council

(1)(i) A member shall be entitled to vote at and stand for any election to the Regional Council from the region within which his professional address falls on a date immediately six months prior to the date on which the list of members eligible to vote at and stand for that election is published. Provided his name has been borne on the regional register continuously for a period of not less than six months immediately prior to the date of the publication of the list and he is not in arrears in respect of the annual membership fee and the regional council fee on the 30th June of the year in which the election is to be conducted.

(ii)(a) At least three months before the date or dates of polling fixed for an election the Council shall publish a list of members eligible to vote showing whether a voter is an associate or a fellow.

(b) The list of members shall be put on the notice board of the Council and the notice boards of the Regional Councils.

(c) The list shall be available on payment of such price as may be fixed by the Council and this shall be notified in the Gazette of India and the Institute's Journal.

(d) The Council shall publish in the Gazette of India a notice stating the number of members to be elected and calling for nominations of candidates for election by a specified date which shall not be less than 14 days from the date of the publication of the notice.

(2) A member whose name stands removed from the Register of members maintained by the Council on the date on which he is to cast his vote shall not be eligible either to vote or stand for the election, notwithstanding the fact that his name has been published in the list of voters.

(3) A candidate for election to the Regional Council shall pay a fee of fifty rupees to the Council.

(4) The number of members to be elected to the Regional Council shall be one for every hundred and forty-five members in the region, entitled to vote at and stand for election, fractions exceeding half being counted as one and fractions equivalent to or less than half being omitted:

Provided however that there shall be at least five elected members in each Regional Council.

(5) The election to the Regional Councils shall be conducted by the Council in such manner as may be specified by it in that behalf.

(6) Where any dispute arises regarding any election to a Regional Council, the matter shall be referred within thirty days from the date of the declaration of the result of the election, to the President and his decision shall be final.

(7) Subject to the provisions hereinbefore mentioned, the rules regarding elections prescribed in Chapter VI of these Regulations shall, as far as possible, apply to the elections to the Regional Councils.

(8)(i) Any member of a Regional Council may at any time resign his membership by writing under his hand addressed to the Chairman of the Regional Council and the seat of such member shall become vacant when such resignation is notified in the Gazette of India.

(ii) If an elected member of a Regional Council is elected to the Council during the duration of the Regional Council, such member shall cease to be an elected member of the Regional Council and the vacancy so caused may be filled by election.

(iii) An elected member of a Regional Council shall be deemed to have vacated his seat on the said Council if he absents himself from three consecutive meetings of the Regional Council without leave of absence.

(iv) Any casual vacancy on a Regional Council shall be filled by a fresh election and the person so elected shall hold office until the dissolution of the Regional Council.

(v) No act done by a Regional Council shall be called in question on the ground merely of the existence of any vacancy in or defect in the constitution of the Regional Council.

#### 113. Office-bearers and committees

(1)(i) A Regional Council shall, at its meeting held in the latter half of the month of September every year, as provided hereinafter, shall elect out of its members a Chairman, a Vice-Chairman, a Secretary and a Treasurer thereof.

(ii) If within half an hour from the time appointed for such a meeting, a quorum as provided is not present, the said meeting shall, notwithstanding anything contained in regulation 118 stand adjourned to the same day in the next week at the same time and place and at such adjourned meeting of the Regional Council, the members present whatever their number, shall form the quorum and shall have the power to transact all the business, which could properly have been transacted at the original meeting, if the necessary quorum had been present.

(iii) A vacancy of any of the offices hereinbefore mentioned, shall be filled by election.

(iv) On the dissolution of a Regional Council, the Chairman, the Secretary and the Treasurer for the time being, shall discharge the duties and functions of the

Chairman, the Secretary and the Treasurer respectively as herein provided until such time as the Chairman, the Secretary and the Treasurer of the next Regional Council are elected and take charge of their respective duties.

(2) The Chairman of a Regional Council shall be the chief executive authority of the Regional Council.

(3) The Secretary shall be responsible for the performance of the general duties appertaining to the office, under the guidance of the Chairman, or in his absence the Vice-Chairman.

(4) The Treasurer shall cause true accounts to be maintained of the assets and liabilities and also of the moneys received and expended and shall deal with matters in respect of which such receipts and expenditure take place.

(5) The said office-bearers shall hold office until the meeting of the Regional Council in the next year to be held in the latter half of September, as provided hereinafter.

(6) The retiring office-bearers shall be eligible for re-election to any of the offices of the Regional Council if they continue to be members in the region.

(7) The Regional Council at a meeting shall constitute such committees as the Council may direct and may also form such other committees as it deems necessary for the purpose of carrying out the provisions of this Chapter.

(8) A committee shall consist of the Chairman or the Vice-Chairman of the Regional Council *ex-officio* and such other members of the Regional Council as may be elected by it :

Provided that there shall be at least three members including the Chairman or the Vice-Chairman in a committee :

Provided further that in the case of any committee constituted under the direction of the Council, one member shall be nominated by the Council from amongst its members in the region.

(9) The Regional Council shall elect any member of the committee to be its Chairman :

Provided that in the case of any committee constituted under the direction of the Council, unless otherwise nominated by the Council, the Chairman or the Vice-Chairman of the Regional Council, as the case may be, shall be the Chairman of that committee.

(10) A member of a committee shall hold office until the meeting of the Regional Council in the next year to be held in the latter half of September, as provided hereinafter, but subject to being a member of the Regional Council, he shall be eligible for re-election.

(11) The rules regarding meetings of the Regional Council prescribed hereinafter shall, as far as possible, be applicable to meetings of committees of the Regional Council.

#### 114. Finance and accounts

(1) (i) A Regional Council shall be self-supporting and shall not borrow or obtain credit without the prior sanction of the Council.

(ii) A Regional Council may levy such further fees as it may consider necessary from members participating in specific activities.

(iii) A Regional Council may, with the prior sanction of the Council, collect voluntary contributions for any specific activity.

(2) (i) The funds of a Regional Council shall be kept in one of the scheduled banks approved by the Council in this behalf.

(ii) The funds of a Regional Council shall be employed for such purposes as may from time to time be sanctioned by the Regional Council :

Provided that no such funds shall be applied either directly or indirectly for payment to the members of the Regional Council except for reimbursing them for any expenses incurred by them in connection with the business of the Regional Council in its region.

(3) The accounts of a Regional Council, as maintained by the Treasurer, shall be audited every year by a chartered accountant in practice or a firm of such chartered accountants appointed by the members of the region at their annual general meeting and the accounts, together with the audit report and the report of the Regional

Council, shall be sent to the members in the region at least 14 days before the date of the annual general meeting and shall be placed for adopting before the annual general meeting of the members.

(4) (i) A copy of the audited accounts and the report of the Regional Council, as adopted by the annual general meeting, shall be sent to the Council not later than 14 days after the date of the annual general meeting.

(ii) The audited accounts of the Regional Council shall be incorporated in the accounts of the Council for the year.

#### 115. Duties and powers of Regional Council

The duty of carrying out the provisions of this Chapter is enjoined on the Regional Council and each Regional Council is vested with the powers for carrying out the objects of these Regulations.

#### 116. Appointment of staff

A Regional Council may appoint such staff and servants for its office as it may from time to time determine.

#### 117. Property, assets and funds

All the property, assets and funds of a Regional Council shall vest in the Council, but the Regional Council shall administer them subject to the control, supervision and direction of the Council and/or its Executive Committee.

#### 118. Meetings of Regional Council

(1) A Regional Council may meet as often as necessary for the conduct of its business :

Provided that one meeting shall be held in the latter half of the month of September every year.

(2) Business before a Regional Council shall ordinarily be conducted at a meeting of the Regional Council :

Provided that the Chairman, or in his absence the Vice-Chairman, may in an appropriate case circulate the papers relating to it among all the members of the Regional Council for decision :

Provided further that no decision on the case shall be taken by circulation, unless not less than two-thirds of the members agree to decide the case by circulation. In the event of such majority not agreeing, the Chairman or the Vice-Chairman, as the case may be, shall withdraw the papers from circulation and have the question decided at a meeting of the Regional Council.

(3) Where the papers relating to any case are circulated among the members, a period of not less than fifteen days commencing from the date of the circulation shall elapse before any decision is taken on the case :

Provided that a decision may be taken before the expiry of such period if the opinion of all the members is received earlier.

(4) The decision taken by the circulation of papers shall be put up for information before the Regional Council at its next meeting.

#### 119. Notice of meeting

(1) The Secretary to the Regional Council shall issue by post or otherwise notice in writing at least 14 days before the date of the meeting to every member of the Regional Council :

Provided that if any two of the following, namely, the Chairman, the Vice-Chairman and the Secretary of the Regional Council, consider it necessary, a meeting of the Regional Council may be convened at a shorter notice not being less than seven days, or with the approval of the members of the Regional Council at a still shorter notice.

(2) The notice shall contain the time, date and place of meeting and, as far as possible, the business to be transacted thereat.

(3) Subject to the provisions of this regulation, the Chairman or any three members of the Regional Council may ask the Secretary to call a meeting on a specified date and time.

#### 120. Quorum

No business shall be transacted at any meeting unless there is a quorum of three members. If this quorum is not present, the meeting shall stand adjourned *'sine die'*.

**121. Chairman of meeting**

The Chairman, or in his absence the Vice-Chairman, shall preside at a meeting of the regional council :

Provided that in their absence, the members present at the meeting may elect one among themselves to preside at the meeting.

**122. Decision by majority**

(1) All the questions before a Regional Council shall be decided by a majority of votes.

(2) If the votes on a question are equal the Chairman of the meeting shall have a casting vote.

**123. Meetings of members of regions**

A Regional Council may call a meeting of the members of the region as often as it may deem necessary :

Provided that two meetings shall be called in every year.

**124. Annual general meeting**

(1) A general meeting shall be called between the 15th day of May and the 15th day of June every year and it shall be called the annual general meeting.

(2) Any other meeting shall be called an extraordinary general meeting.

**125. Notice of meeting**

At least 14 days' notice of every meeting specifying the day, place and hour of such meeting and in the case of special business, the general nature of the business, shall be given.

**126. Extraordinary general meeting**

(1) The Regional Council shall, on a requisition made in writing by at least 20 per cent of the total number of members of the region or fifty members of the region, whichever is less, convene an extraordinary general meeting.

(2) Any such requisition shall specify the object for which the meeting is requisitioned, shall be signed by the members making the same and shall be delivered at the office of the Regional Council.

(3) On a valid requisition, the Regional Council shall convene an extraordinary general meeting within six weeks of the receipt of the requisition.

(4) If the Regional Council fails to convene the extraordinary general meeting as provided by sub-regulation (3) the requisitionists may convene a meeting within three months from the date of the requisition.

**127. Resolutions**

(1) A member of the region shall be entitled to move any resolution for the consideration of the meeting of the members :

Provided that a draft of the resolution is received by the Secretary to the Regional Council at least 20 days before the date of the meeting :

Provided further that the Chairman of the meeting may admit a resolution in respect of which a shorter notice is received.

(2) Any proposal received after the prescribed time and not admitted by the Chairman of the meeting, shall be treated as a proposal for the next following meeting of the members.

**128. Business before the annual general meeting**

The business before the annual general meeting shall be to receive the report of Regional Council, to adopt the accounts, to appoint auditors and to transact such other business as may be brought before the meeting with the permission of the Chairman of the meeting.

**129. Chairman of meeting**

The Chairman, or in his absence the Vice-Chairman of the Regional Council, shall preside at a general meeting :

Provided that in their absence, the members present at the meeting may elect one among themselves to preside at the meeting.

**130. Quorum**

(1) No business shall be transacted at a general meeting unless there is a quorum at the commencement of the meeting.

(2) Twenty members shall form a quorum.

**131. Absence of quorum**

If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if convened upon a requisition as aforesaid, shall stand dissolved; but in any other case shall stand adjourned to the same day in the next week at the same time and place and at such adjourned meeting the members present, whatever their number, shall have power to transact all the business which could properly have been transacted by the original meeting had the necessary quorum been present thereat.

**132. Decision by majority**

(1) All the questions before a general meeting shall be decided by a majority of votes.

(2) If the votes on a question are equal, the Chairman shall have a casting vote.

**133. What members not entitled to vote**

No person shall be entitled to vote at a general meeting unless his name is on the regional register and he has paid his annual membership fee and Regional Council fee.

**134. Term of Regional Council**

(1) The term of a Regional Council shall be three years from the date, which shall be specified by the Council :

Provided that the Council may, if in its opinion circumstances so warrant, extend or shorten the term of a Regional Council by a notification in this behalf.

(2) On the expiry of the term of a Regional Council, a new Regional Council shall be constituted in the manner provided hereinbefore.

**135. Dissolution of Regional Council**

Notwithstanding anything contained hereinbefore, a Regional Council shall stand dissolved if :

(i) a majority of three-fourths of the members on the regional register pass a resolution for dissolution at a general meeting of the members; or

(ii) after giving an opportunity to it of being heard, the Council decides to dissolve the Regional Council.

**136. Branches of Regional Council**

(1) The Council may, by a notification in the Gazette of India, set up a branch of a Regional Council in a city other than the headquarters of the Regional Council :

Provided that not less than 50 members are residing in the city or within a distance of 10 miles from the city limits.

(2) A branch shall function subject to the control, supervision and direction of the Council through the Regional Council and shall carry out such directions as may from time to time be issued by the Council.

**CHAPTER VIII****MEETINGS AND PROCEEDINGS OF THE COUNCIL****137. Meetings of Council**

(1) The Council shall meet at least once in every six months at such time and place as the President may determine.

(2) Within fourteen days of the dissolution of a Council, as provided in sub-section (1) of section 14, a meeting of the new Council shall be held.

**138. Notice of Council meeting**

A notice of the time and place of a meeting shall be sent to the registered address of every member of the Council not less than twenty-one days before such meeting and such notice shall, as far as practicable, contain a statement of the business to be transacted at the meeting :

Provided that in the case of a special meeting, the President may inform the members of the subject for discussion at the meeting.

**139. Special meetings of Council**

A special meeting of the Council may at any time be called by the President, or in his absence by the Vice-President, or at the request in writing addressed to the Secretary, by at least 25 per cent of the members of the Council for the time being.

140. *Chairman of meeting*

At a meeting of the Council, the President, or in his absence the Vice-President, shall preside, or in the absence of both, a member elected from among the members who are present, shall preside.

141. *Quorum at meeting*

(1) One-third of the total number of members shall constitute a quorum.

(2) If, at the time appointed for a meeting, there is no quorum and if on the expiration of half an hour from the time appointed for the meeting, there is no quorum, the meeting shall stand adjourned to such time, date and place as the Chairman of the meeting may appoint.

(3) No quorum shall be required for the meeting adjourned under sub-regulation (2).

142. *Procedure for transaction of business*

(1) The business of the Council shall ordinarily be transacted at a meeting of the Council :

Provided that the President, or in his absence the Vice-President, may in an appropriate case circulate the papers among the members of the Council for deciding any question :

Provided further that if eight members of the Council require that any question be decided at a meeting, the President, or in his absence the Vice-President, shall withdraw the papers from circulation and have the question determined at a meeting of the Council.

(2) Where the papers relating to any question are circulated among the members, a period of not less than 15 days, commencing from the date of the circulation of the papers, shall elapse before any decision is taken on the question :

Provided that a decision may be taken before the expiry of such period if the opinion of all the members is received earlier.

(3) The decision shall be in accordance with the opinion in writing of the majority of the members.

(4) A decision taken by the circulation of the papers shall be communicated to all the members of the Council.

143. *Passing of resolution at a meeting*

At a meeting of the Council, a resolution shall be passed by a majority of the members present unless otherwise required by the Act or these Regulations, and in the case of equality of votes the Chairman of the meeting shall have a casting vote.

144. *Adjournment of a meeting*

(1) Subject to the provisions of these Regulations, the Chairman of a meeting of the Council may, with the consent of the members present, adjourn the meeting from time to time and from place to place but no business, other than the business left unfinished at a meeting, shall be transacted at the adjourned meeting.

(2) No notice may be given of an adjourned meeting unless it is so directed by the resolution for adjournment.

145. *Record of minutes*

(1) Minutes shall be recorded of a meeting of the Council.

(2) The minutes, after having been approved by the members and signed by the Chairman of the next meeting, shall be sufficient evidence of the proceedings of the Council.

## CHAPTER IX

## STANDING AND OTHER COMMITTEES

146. *Time and place of meeting*

(1) The President may, at any time, and shall on the requisition of any two members of a Standing Committee, call a meeting of the Committee.

(2) The meeting of a Standing Committee shall be held at such place and at such time as the President may direct.

(3) A notice of not less than seven days of every such meeting shall ordinarily be given to every member of the Committee.

147. *Quorum*

(1) No business shall be transacted at a meeting of a Standing Committee unless there are present at least three members, including the President or in his absence, the Vice-President.

(2) If there is no quorum within half an hour of the time fixed for the meeting, the meeting shall stand adjourned to a date, time and place fixed by the President or in his absence the Vice-President.

148. *Procedure for transaction of business*

(1) The business of a Standing Committee shall ordinarily be transacted at a meeting of the Committee :

Provided that the President, or in his absence the Vice-President, may in an appropriate case circulate the papers relating to it among the members of the Committee for decision :

Provided further that if three members of the Committee require that any question be decided at a meeting, the President, or in his absence the Vice-President, shall withdraw the papers from circulation and have the question determined at a meeting of the Committee.

(2) Where the papers relating to any question are circulated among the members, a period of not less than fifteen days, commencing from the date of the circulation of the papers, shall elapse before any decision is taken on the question :

Provided that a decision may be taken before the expiry of such period if the opinion of all the members is received earlier.

(3) A decision taken by the circulation of the papers shall be communicated to all the members.

149. *Casting Vote*

All the questions before a Standing Committee shall be decided by a majority of votes and in the case of equality of votes, the President, or in his absence the Vice-President, shall have a casting vote.

150. *Minutes*

(1) The Secretary shall be the Secretary for every Standing Committee.

(2) The Secretary shall maintain a record of the business transacted by the Committee either by the circulation of the papers or at a meeting of the Committee.

151. *Executive Committee*

(1) The Executive Committee shall perform the following functions, namely :—

(a) maintenance of office of the Council and for this purpose the Executive Committee may employ, suspend, discharge or re-employ the necessary staff on such terms and conditions as it may deem fit;

(b) maintenance of true and correct accounts of all the receipts and payments on behalf of the Council and the matters in respect of which such receipts and payments take place and of all the property, securities, debts, funds and liabilities of the Institute;

(c) maintenance of the Register, register of articulated and audit clerks and all other statutory registers which are prescribed by the Act or these Regulations;

(d) custody of the property, assets and funds of the Institute;

(e) investment of the spare funds of the Institute in securities approved by the Council and to vary such investments from time to time;

(f) disbursements from the funds of the Institute for expenditure, both revenue and capital, within the estimates previously sanctioned by the Council ;

Provided that in an emergent case, expenditure in excess of the estimates previously sanctioned by the Council may be incurred by the Committee but such excess expenditure shall be brought to the notice of the Council at its next meeting; and

(g) admission of fellows, removal and restoration of names of members, cancellation of certificates of practice, issue of certificates of membership, prosecution of members on the findings of the Council, granting permission to chartered accountants in practice or firms of such chartered accountants to have a branch office in India without being in separate charge of a member until the Council decides the matter, placing before the Council cases of infringements of non-technical nature,

of the provisions of sub-section (1) of section 27 and cases of infringement of a technical nature exceeding six months, publications of the list of members and issue of the Journal.

(2) The Executive Committee may delegate any of its functions to the President or the Vice-President.

(3) The Council shall have the power to review any decision taken by the Executive Committee or by the President or the Vice-President in the performance of the functions delegated to it or him.

#### 152. Examination Committee

(1) The Examination Committee shall perform all the functions of the Council relating to the examinations, such as holding of examinations, admissions thereto, maintenance of proper discipline during the examinations, appointment and selection of examiners, prescription of books for the guidance of candidates, declaration of results, payment of remuneration to examiners and/or assistant examiners, superintendents of the examinations and others.

(2) Except as otherwise provided by these Regulations, the Examination Committee shall exercise all the functions in relation to articled clerks and audit clerks.

(3) The Examination Committee may delegate any of its functions to the President or the Vice-President.

(4) The Council shall have the power to review any decision taken by the Examination Committee or the President or the Vice-President in the performance of the functions delegated to it or him.

#### 153. Committees other than Standing Committees

(1) Committees other than Standing Committees appointed by the Council under sub-section (2) of section 17, shall consist of a Chairman, a Vice-Chairman and such other members of the Council, as may be elected on it by the Council and any other members who may be co-opted, with the sanction of the Council.

(2) The committees shall discharge such functions as may be directed by the Council from time to time.

(3) The provisions contained in regulations 146, 147, 148, 149 and 150, relating to the time and place of meetings, quorum, procedure for transaction of business, casting vote, minutes, etc. shall apply 'mutatis mutandis' to such committees except that the reference to President and Vice-President in the regulations referred to above, shall be construed as reference to Chairman and Vice-Chairman respectively of a committee and the Secretary shall be the Secretary for only such of the committees as may be directed by the Council.

#### 154. Sub-Committees of Standing and other Committees

(1) The Council or any Standing Committee or other committee may appoint a sub-committee consisting of its members and such other members, as it may consider expedient.

(2) Every sub-committee shall have a Chairman who shall also be the convener of the sub-committee.

(3) A sub-committee shall discharge such functions as may be directed by the Council or the committee concerned.

(4) The Chairman of a sub-committee may at any time and shall, on a requisition of not less than one third of the members of the sub-committee, call a meeting of the sub-committee.

(5) The meeting shall be held at such place, time and date as the Chairman may decide.

(6) A notice of not less than seven days of every such meeting shall ordinarily be given to every member of the sub-committee.

(7) One half or three of the members of the sub-committee, whichever is greater, shall form a quorum. In the event of there being no quorum within half an hour of the time fixed for the meeting, the meeting shall stand adjourned to a date, time and place specified by the Chairman of the meeting.

(8) In the event of the Chairman of a sub-committee failing to call a meeting of the sub-committee in spite of a requisition under sub-regulation (4) within 7 days of the receipt of the requisition, the members who had sent the requisition may themselves convene the meeting, elect their own Chairman and transact business for which requisition had been sent.

(9) The Chairman of any meeting of a sub-committee shall maintain a record of all the business transacted by the sub-committee.

(10) All questions before a sub-committee shall be decided by a majority of votes. In the event of equality of votes, the Chairman of the meeting shall have a casting vote.

### CHAPTER X

#### MISCELLANEOUS

##### 155. Headquarters of the Council

The headquarters of the Council shall be located at such place as may be notified by the Central Government in this behalf.

##### 156. Custody of common seal

The common seal shall be kept in the custody of the Secretary.

##### 157. Affixing common seal

All instruments on which the common seal is required to be affixed by or under any law shall be so affixed and countersigned by the Secretary.

##### 158. Method of payment of fees

All fees specified in these Regulations shall be paid to the Secretary in such manner as the Council may direct.

##### 159. Issue of duplicate certificates

(1) Where a holder of a certificate granted by the Council has lost it, the Council may, on an application made in this behalf, duly supported by an affidavit of the applicant to the effect that he was in possession of such a certificate and had lost it, issue a duplicate, on receipt of a fee of ten rupees in the case of a certificate of membership as an associate or a fellow, a certificate of practice as an associate or a fellow, and a certificate renewing a certificate of practice, and five rupees in the case of any other certificate.

(2) Where any certificate granted by the Council is damaged, the Council may, on an application made in this behalf, issue a duplicate on receipt of the fee prescribed above and on return of the damaged certificate.

##### 160. Publication of list of members

While publishing the list of members under sub-section (3) of section 19, the Council may distinguish, in such manner as it may think fit, between the associates and fellows in practice and between the associates and fellows not in practice.

##### 161. Members to supply information

For the purpose of the publication of the list of members, the Council may require members to supply such information as it considers relevant.

##### 162. Place of business

(1) Every member in practice shall have a place of business in India in his own charge or in charge of another member.

(2) In the case of a member who is an employee of a chartered accountant or a firm of such chartered accountants and is not holding a certificate of practice, the professional address of the employer shall be deemed to be his place of business.

(3) Except in the case of a person enrolled under the proviso to section 4(1)(v), a member not in practice may specify a place which shall be deemed to be his place of business for the purposes of section 21 and these Regulations.

(4) The postal address of the place of business shall be intimated to the Council at the time of making the application for membership and any change in the place of business or the postal address shall be communicated to the Council within 30 days of the change.

(5) The Council may remove the name of a member from the Register who has contravened the provisions of this regulation.

##### 163. Proof of service of notice

All notices required by the Act or these Regulations to be given to members shall be forwarded by post to such professional address (and if there is no professional address, residential address) as may have been last registered with the Council, and for proving that such notice has been given, it shall be sufficient to prove that such notice was properly addressed and posted.

**164. Council to be informed when a branch office is opened or closed**

A chartered accountant in practice or a firm of such chartered accountants shall inform the Council within sixty days of the opening or closing of a branch office.

**165. Register of offices and firms**

(1) A chartered accountant in practice or a firm of such chartered accountants shall within three months of the commencement of practice or the formation of the firm supply to the Council in the appropriate Form particulars regarding his office or the firm, as the case may be.

(2) The Council shall maintain a register of offices and firms and shall register therein the particulars referred to in sub-regulation (1).

(3) Everytime there is a change in the particulars referred to in sub-regulation (1), the member or the firm, as the case may be, shall within sixty days communicate it to the Council.

(4) The Council may, at its discretion, refuse to register a trade or a firm name if that name is already used by a chartered accountant in practice or a firm of such chartered accountants and has been entered in the register of offices and firms.

(5) Where the same trade or firm name has been registered in the past, in the register of offices and firms, in the case of two or more members or firms, the Council may direct the member or the firm, as the case may be, other than one whose name was registered first in the register of offices and firms, to alter the name in such manner as the Council may consider proper and inform the Council of such alteration within six months of the issue of the direction.

(6) (i) No member shall practise under a trade or firms name which has been refused registration under sub-regulation (4).

(ii) No member shall practise under a trade or firm name in respect of which a direction has been issued under sub-regulation (5), after the expiry of six months from the date of issue of the direction.

(7) Nothing contained in this regulation shall apply to firms of chartered accountants in practice with identical names, if at least one of the partners of the firms is common.

**166. Chartered Accountant in practice not to engage in any other business or occupation**

A chartered accountant in practice shall not engage in any business or occupation other than the profession of accountancy, except with the permission granted in accordance with a resolution of the Council.

**167. Part time employments a chartered accountant in practice may accept**

Notwithstanding anything contained in regulation 166 but subject to the control of the Council, a chartered accountant in practice may act as a liquidator, trustee, executor, administrator, arbitrator, receiver, adviser, or representative for costing, financial or taxation matter, or may take up an appointment that may be made by the Central Government or a State Government or a court of law or any other legal authority or may act as a secretary in his professional capacity, provided his employment is not on a salary-cum-full-time basis.

**168. Restriction on fees**

No chartered accountant in practice shall charge or offer to charge, accept or offer to accept, in respect of any professional work, fees which are based on a percentage of profits, or which are contingent upon the findings, or results of such work :

Provided that

(a) in the case of a receiver or a liquidator, the fees may be based on a percentage of the realisation or disbursement or of the assets;

(b) in the case of an auditor of a co-operative society, the fees may be based on a percentage of the paid up capital or the working capital or the gross or net income or profits; and

(c) in the case of a valuer for the purposes of direct taxes and duties, the fees may be based on a percentage of the value of the property valued.

**169. Particulars of nationality**

(1) A member shall submit to the Council particulars regarding his nationality.

(2) Every change in such particulars shall be intimated to the Council as early as possible but in any case not later than twenty-eight days from the date of such change.

**170. Maintenance of accounts**

It shall be the duty of the Secretary to maintain or cause to be maintained proper accounts of the receipts and expenditure of the Council.

**171. Nomination of auditors**

(1) The auditors shall be nominated by two members of the Council and such nomination shall be signed by the members nominating and by the candidate, and shall be deposited at the office of the Council at least three days before the meeting.

(2) The auditors who are in office shall be deemed to have been nominated for the next annual meeting unless they have intimated to the Secretary their desire not to be re-elected.

**172. Retirement of auditors**

The auditors shall retire at the next annual meeting of the Council after their election, but shall be eligible for re-election.

**173. Remuneration of auditors**

The Council shall determine the remuneration, if any, to be paid to the auditors elected at the annual meeting.

**174. Casual vacancy in the office of auditors**

If any vacancy occurs in the office of an auditors between two annual meetings or if a vacancy is not filled at an annual meeting, it may be filled by the Executive Committee, and the person appointed as auditor shall hold office until the next annual meeting, but he shall be eligible for election :

Provided that during such vacancy the continuing auditor may act alone.

**175. Audit of accounts**

(1) The Council, not less than two months before the date of the annual meeting, shall deliver to the auditors the accounts of the preceding year and the auditors shall examine such accounts and report thereon, not less than one month before the date of the meeting.

(2) The auditors shall be entitled to ask for any information or explanation regarding the accounts from the Secretary and such information or explanation shall, as far as it is available at the time, be supplied to them.

**176. Functions to be performed by the President on the dissolution of the Council**

On the expiration of the duration of the Council, the President of the Council at the time of such expiration shall discharge all the administrative duties of the Council under the Act and these Regulations and all the functions of the Executive and Examination Committees of the Council until such time as a new President shall have been elected and shall have taken over charge of his duties :

Provided, however, that the President for the time being shall call a meeting of the next Council to be held within fourteen days from the date of the dissolution of the outgoing Council.

**177. Powers and duties of the President and Vice-President**

(1) The President shall exercise such powers and perform such duties as are specified by the Act and these Regulations, and as may be delegated by the Council and/or the Standing Committees from time to time.

(2) The President may direct any business to be brought before the Council or a Standing Committee for consideration.

(3) If the office of the President is vacant, or if the President for any reason is unable to exercise the powers or perform the duties of his office, the Vice-President shall act in his place and shall exercise the powers and perform the duties of the President.

**178. Powers and duties of the Secretary**

Subject to the general supervision of the President and/or the relevant Standing Committee, the Secretary



shall exercise and perform, in addition to the powers and duties specified by the Act and/or these Regulations in this behalf, the following powers and duties, namely :

(1) being in-charge of the office of the Institute as its executive head;

(2) enrolling associates, admitting fellows, removing from the membership owing to death or non-payment of any prescribed fees or at a member's request and restoring to membership and issuing notifications therefor;

(3) sanctioning and renewing of certificates of practice for associates and fellows, cancelling of certificates of practice at the request of members;

(4) granting of permission to members to be engaged in other occupations besides the practice of the profession of accountancy under regulation 166 within the categories permitted by the Council;

(5) exempting any chartered accountant in practice or a firm of such chartered accountants from the operation of sub-section (1) of section 27 for a period not exceeding six months, where the infringement is of a technical nature;

(6) maintaining registers, documents and forms as required by the Act and these Regulations;

(7) being in-charge of all the property of the Institute;

(8) making necessary arrangements for receiving moneys due to the Council and also issuing receipts therefor;

(9) incurring revenue expenditure within the limits sanctioned by the Council or the committees and incurring capital expenditure for the purpose of purchasing books for the library of the Institute within the limits sanctioned by the Council and/or the committees;

(10) causing proper accounts to be maintained and delivering of accounts books, information etc., to the auditors appointed by the Council for the purpose of audit of the accounts of the Institute;

(11) making all other payments as sanctioned by the Council, committees and/or the President;

(12) paying salary and allowances to the members of the staff, granting of leave etc. to them, and sanctioning their increments in accordance with the approved scales;

(13) exercising disciplinary control over the staff, except dismissal in respect of which the sanction of the President be necessary;

(14) admitting candidates to the examinations held under these Regulations and making all necessary arrangements for the conduct of the examinations;

(15) refunding or transferring fees received under these Regulations for the examinations, enrolment, issue of certificates of practice and allied matters;

(16) registering and noting suspension/cancellation/termination of articles and/or audit service and permitting articled clerks of deceased members and those who had ceased to be in practice to be taken as extra articled clerks;

(17) permitting articled and/or audit clerks to engage in other occupation as approved by the Council and/or the committees and granting reduction in the period of articles and/or audit service in accordance with these Regulations;

(18) condoning any break in the service of articled and audit clerks up to a maximum period of six months in his discretion.

(19) signing and issuing all notifications on behalf of the Council.

(20) signing vakalat namas on behalf of the Council, appointing solicitors or advocates on behalf of the Council, and filing papers in Courts, etc., on behalf of the Council, subject to the approval of the President;

(21) calling such further information and particulars as he considers necessary in furtherance of the above duties; and

(22) performing such other duties and functions as are incidental and ancillary to and may be required for the performance of the above duties and exercising such other powers as may be delegated by the Council and/or committees or the President from time to time.

#### 179. Higher training for members

The Council may impart or arrange to impart practi-

cal and/or theoretical training and hold examinations in such subjects as it may consider useful for members and may award certificates or diplomas in connection therewith in accordance with the rules contained in Schedule 'C'.

#### 180. Power to remove difficulties

(1) If any difficulty arises in giving effect to the provisions of these Regulations, the Council may, by general or special order, do anything not inconsistent with these provisions which appears to it to be necessary or expedient for the purpose of removing the difficulty.

(2) In particular, and without prejudice to the generality of the foregoing power, any such order may provide for continuing in force such provisions of the Chartered Accountants Regulations, 1949, as were applicable to persons governed by the Auditor's Certificates Rules 1932 or such other provisions as conferred any right or privilege or as imposed any obligation or liability.

#### 181. Repeal of Chartered Accountants Regulations 1949.

(1) The Chartered Accountants Regulations, 1949 are hereby repealed.

(2) Notwithstanding the repeal of the Chartered Accountants Regulations, 1949 (hereinafter referred to as the repealed Regulations) and without prejudice to the generality of the provisions contained in sub-regulation (3) of regulation 2, it is hereby declared as follows :—

Any appointment, notification, order, election, examination, result of an examination, service as an articled or audit clerk, made, issued, held, declared, rendered or any other thing done under the repealed Regulations shall, so far as it is not inconsistent with the provisions of these Regulations, be deemed to have been made, issued, held, declared, rendered or done under the provisions of these Regulations unless and until it is superseded by action taken in accordance with these Regulations.

#### SCHEDULE 'A'

##### FORM "1"

(See Regulation 3)

#### *Register of Members of the Institute of Chartered Accountants of India*

1. Enrolment No.
2. R.A. Enrolment No.
3. Name in full
4. Date of birth
5. Domicile
6. Residential address
7. Professional address
8. Date of entry in the Register
9. Qualifications
10. Whether holding a certificate of practice
11. Date of admission as Fellow
12. Whether practising independently, in partnership or employed in a firm of Chartered Accountants in practice
13. Whether holding a salaried employment, if not in practice
14. Change of address, if any
15. Remarks

##### FORM "2"

[See Regulation 5(1)(a)]

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, NEW DELHI

#### *Form of application for entry in the Register*

To

The Secretary to the Council of the  
Institute of Chartered Accountants of India

Sir,

I beg to apply that my name be entered in the Register. I hereby declare that I am not subject to any of the disabilities stated in section 8 of the Chartered Accountants Act, 1949. The required particulars are furnished below :—

1. Name in full (block letters).
2. Father's name.
3. Date of birth.\*
4. Nationality.

## 5. Educational qualifications.@

6. (a) The year and month in which the applicant passed the Examination which qualifies him for his name being entered in the Register and  
(b) Name of the Examination and Roll No. if any at that Examination.
7. (a) The name of the Chartered Accountant(s) in practice or the firm of Chartered Accountants in practice under whom the applicant served as an articled clerk or as an audit clerk.  
(b) The period of service as an articled clerk and/or audit clerk together with the dates of commencement and termination.  
(c) Articles Deed Registration No.(s).  
(d) Audit Service Registration No.(s).  
(e) Details of such other practical training which has been recognised by the Council as equivalent to practical training under the Chartered Accountants Regulations.

8. Period of residence in India.

9. If not an Indian citizen, please state whether certificate of Indian Domicile has been obtained.

10. Permanent residential address.

11. Professional address.

12. Present residential address.

13. Occupation in full.

\*\*14. Place or places of business in India.

15. Whether the applicant is in charge of the place or places mentioned at 14. If not, the name(s) and membership number(s) of the member(s) of the Institute who is (are) in charge of that (those) place(s) and his (their) address(es).

16. If the applicant is a paid assistant to a Chartered Accountant in practice or in a firm of such Chartered Accountants, name of the Chartered Accountant in practice or the firm and from which date.

17. If the applicant holds a salaried employment other than that covered by 16 above, full particulars thereof.

18. Whether the applicant intends to practise as a Chartered Accountant under the Chartered Accountant Act, 1949.

19. Whether the applicant intends to continue the engagement at 16 or 17 above in addition to practice.

20. Whether the applicant is engaged in any other business or occupation not covered by 16 or 17 above. If so, full particulars thereof.

21. Whether the applicant was at any time debarred from practising as an accountant and if so, the reason and period of suspension.

2. I hereby undertake that if my name is entered in the Register, I shall be bound by the provisions of the Chartered Accountants Act, 1949 and the Regulations framed thereunder or that may hereafter from time to time be made pursuant to the said Act.

3. (i) I also send herewith a sum of Rs. \_\_\_\_\_ being my entrance fee of Rs. \_\_\_\_\_ and annual membership fee Rs. \_\_\_\_\_ for the year \_\_\_\_\_.

(ii) A sum of Rs. 28/- is also forwarded for the annual Certificate of Practice for the period ending 30th June \_\_\_\_\_.

(iii) A sum of Rs. 6/- is also forwarded as annual subscription for the benefit of the Regional Council.

Place : Yours faithfully,

Date : Signature

\* Applicants are requested to produce evidence of their age.

@ Original diplomas, Certificates and/or other documents, or attested copies thereof, in support of the qualifications claimed must be sent with the application.

\*\* If there be more than one place of business, principal place of business may also be indicated.

## FORM "3"

[(See Regulation 5(1)(b)]

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

*Form of application for entry in the Register as Fellow of the Institute of Chartered Accountants of India*

To

The Secretary of the Council of the Institute of Chartered Accountants of India,  
New Delhi.

Sir,

I beg to apply that my name be entered in the Register as a Fellow of the Institute of Chartered Accountants of India. I hereby declare that I am not subject to any of the disabilities stated in section 8 of the Chartered Accountants Act, 1949. I have been in continuous practice in India since \_\_\_\_\_.

Required particulars are as follows :—

- (1) Name
- (2) Number and Date of admission as Associate :
- (3) Professional address :
- (4) \*(A) Whether practising independently or as a partner of a firm of practising members of the Institute, and if so, state the period for which acting as such :

or

\*(B) (i) Clause/s of sub-regulation (3) of regulation 5 under which the admission is sought :

(ii) Name & address of the employer/organisation :

(iii) Particulars of experience :

(a) Designation

[(If in Government service, the Class, Grade, Rank & other details may be given)]

(b) Detailed nature of duties

(c) Period

\* (d) Paid-up capital for each of the years

\* (e) Turn-over for each of the years

\* (f) Population under the jurisdiction of the local authority for each of the years

\* (g) Period during which the applicant may have been in practice as a Chartered Accountant

(h) Original certificates, balance sheets and/or other documents or attested copies thereof, in support of the above experience or particulars, are enclosed.

2. (i) I send herewith Rs. 200/- being my entrance fee as a Fellow of the Institute.

(ii) A sum of Rs. 55/- is also forwarded herewith being the balance of the annual membership fee, due as a Fellow of the Institute.

Place :

Yours faithfully,

Date :

Signature

\* Delete which is not applicable.

## FORM "4"

(See Regulation 8)

Member-Slip No.—

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Emblem)

## Certificate of Membership

This is to certify that.....  
of.....was admitted as an  
Associate of the Institute on the.....day of.....19..

Given by the Council under the Common Seal of the  
Institute of Chartered Accountants of India, this.....  
day of.....19..

(Seal)

President

Secretary.

## FORM "5"

(See Regulation 8)

Membership No. \_\_\_\_\_

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

(Emblem)

## Certificate of Membership

This is to certify that.....of.....  
.....was admitted as a Fellow of the Institute  
on the.....day of.....19....

Given by the Council under the Common Seal of the  
Institute of Chartered Accountants of India, this.....  
.....day of.....19....

(Seal)

President  
Secretary.

## FORM "6"

[See Regulation 9(1)(ii)]

Form of application for the issue of a  
Certificate of Practice

To

The Secretary to the Council of the Institute of  
Chartered Accountants of India

Sir,

I am enclosing/have already sent a cheque/draft  
No. \_\_\_\_\_ dated \_\_\_\_\_ for Rs. \_\_\_\_\_ towards  
the fees for the year \_\_\_\_\_ as per details given  
below:—

*Membership fee	Rs. 20.00/83.00
Regional Council fee	Rs. 6.00
Certificate of Practice fee	Rs. 28.00

I request that the Certificate of Practice may be issued  
to me at an early date.

†2. I declare that I am not engaged in any other business  
or occupation besides the profession of accountancy.  
If and when I intend to be so engaged, I shall obtain  
the prior permission of the Council.

\*3. I am engaged in other occupation as.....  
.....and propose to continue to be so  
engaged in addition to the practice of accountancy for  
which the permission has already been obtained/applied  
for vide your/my letter No. \_\_\_\_\_ dated \_\_\_\_\_.

4. As and when I cease to be in practice I shall duly  
inform the Council as required by the Chartered Accountants  
Regulations, 1964.

†5. I hold the Certificate of Practice as Associate/  
Fellow for the period ending 30th June, \_\_\_\_\_.

6. I declare that I am.....National.

Place:

Yours faithfully,

Date:

Signature.

Membership Number.

\* Delete words not applicable.

† Delete the para not applicable.

## FORM "7"

[See Regulation 9(1)(iii)]

Membership No. \_\_\_\_\_

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

(Emblem)

## Certificate of Practice

This is to certify that.....of.....,  
F.C.A.  
A.C.A. is entitled to practise as a Chartered Accountant.

This Certificate is valid from the.....day of....  
.....19.....to the 30th day of June, 19.....  
inclusive, and thereafter subject to renewal from time  
to time.

Given under the Common Seal of the Institute of  
Chartered Accountants of India, this.....  
day of.....19.....

(Seal)

President  
Secretary.

## FORM "8"

[See Regulation 9(1)(iv)]

Membership No. \_\_\_\_\_

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

Emblem

Received with thanks from Shri.....  
the sum of Rupees.....only on account of the

annual membership fee, annual certificate fee and annual  
Regional Council fee, for the year 19......

The Certificate of Practice granted to him on the  
day of.....19.....is hereby renewed up to and  
inclusive of 30th of June 19......

Place:

Date:

By the authority of the  
Council  
Secretary.

## FORM "9"

[See Regulation 11(2)]

## Form of Complaint

Before the Council of the Institute of Chartered  
Accountants of India.

Section 21

Between

Petitioner

And

Respondent

Petitioner's address:

Respondent's address:

Particulars of complaint in  
paragraphs consecutively numbered.  
Particulars of evidence oral and  
documentary if any, to substantiate  
the complaint.

Signature

## VERIFICATION

I.....the petitioner do hereby  
declare that what is stated above is true to the best of  
my information and belief.

Verified today the.....day of.....  
19.....at.....

Signature

## FORM "10"

(See Regulation 17)

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIAForm of application for restoring the name  
in the Register

To

The Secretary to the Council of the  
Institute of Chartered Accountants of India.

Sir,

I beg to apply for restoration of my name in the  
Register. I also hereby declare that I am not subject to  
any of the disabilities stated in section 8 of the Chartered  
Accountants Act, 1949. The required particulars are  
furnished below:—

1. Name in full (in block letters).
2. Father's name.
3. Date of birth.\*
4. Nationality.
5. Educational Qualifications.\*\*
6. Period of residence in India.
7. If not an Indian citizen, please state whether certificate of Indian Domicile has been obtained.
8. Permanent residential address.
9. Professional address.
10. Present residential address.
11. Membership Number or R.A. Enrolment Number Prior to removal.
12. Reasons for and date of removal.@
13. Occupation in full.
- †14. Place or places of business in India.
15. Whether the applicant is in charge of the place or places mentioned at 14. If not, the name(s) and membership Number(s) of the member(s) of the Institute who is (are) in charge of that (those) place(s) and his (their) address(es).
16. If the applicant is a paid assistant under a Chartered Accountant in practice or in a firm of such Chartered Accountants, name of the Chartered Accountant in practice or the firm and from which date.
17. If the applicant holds a salaried employment other than that covered by 16 above, full particulars thereof.
18. Whether the applicant intends to practise as a Chartered Accountant under the Chartered Accountants Act, 1949.

19. Whether the applicant intends to continue the engagement at 16 or 17 above in addition to practice.
20. Whether the applicant is engaged in any other business or occupation not covered by 16 or 17 above; if so, full particulars thereof.
21. Whether the applicant was at any time debarred from practising as an accountant and if so, the reason and period of suspension.

2. I hereby undertake that if my name is restored on the Register and if admitted as a member of the Institute, I will be bound by the provisions of the Chartered Accountants Act, 1949, and the Regulations framed thereunder or that may hereafter from time to time be made pursuant to the said Act.

3. (i) I also send herewith a sum of Rs. — being the (a) balance of entrance fee of Rs. —, (b) the arrears on account of the annual fee of Rs. —, (c) the restoration fee of Rs. 25/- and (d) the annual membership fee of Rs. — for the year —.

(ii) A sum of Rs. 28/- is also forwarded for the annual Certificate of Practice.

(iii) A sum of Rs. 6/- is also forwarded as annual subscription for the benefit of the Regional Council.

Place : Yours faithfully,  
Date : Signature.

- \* Applicants are requested to produce evidence of their age.  
\*\* Original diplomas, Certificates and /or other documents or attested copies thereof, in support of the qualifications claimed must be sent with the application.  
@ Original Notification removing the name of the member should be sent.  
† If there be more than one place of business, principal place of business may also be indicated.

FORM "11"  
(See Regulation 26)

Roll No. —

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA  
Emblem

Preliminary Examination Certificate

This is to certify that — of —  
has passed ( ) the Intermediate Examination held by the Institute of Chartered Accountants of India in the month of — 19 —.

Given under the Common Seal of the Institute of Chartered Accountants of India, this — day of — 19 —.

(Seal) Secretary.

FORM "12"  
(See Regulation 26)

Roll No. —

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA  
Emblem

Intermediate Examination Certificate

This is to certify that — of —  
has passed ( ) the Intermediate Examination held by the Institute of Chartered Accountants of India in the month of — 19 —.

Given under the Common Seal of the Institute of Chartered Accountants of India, this — day of — 19 —.

(Seal) Secretary.

FORM "13"  
(See Regulation 26)

Roll No. —

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

Final Examination Certificate

This is to certify that — of —  
has passed the Final Examination held by the Institute of Chartered Accountants of India in the month of — 19 —.

Given under the Common Seal of the Institute of Chartered Accountants of India, this — day of — 19 —.

(Seal)

Secretary.

FORM "14"

[See Regulations 34(1)(i), 40(2) & 41(3).]

(For use when the Articled Clerk is of full age)

Articles of apprenticeship made the — day of — one thousand nine hundred and — between — of — (hereafter called the Employer) of the first part, \*[ —, the Chartered Accountant in practice/partner of Messrs —, Chartered Accountants in practice, employing the Employer of the first part (hereafter called the second Employer) of the second part] and — (hereafter called the Articled Clerk) of the second/\*third part.

Witness as follows, that is to say :—

1. In consideration of the covenants by the Articled Clerk hereafter contained, the Employer agrees to take the Articled Clerk as his Articled Clerk for the term of — years from the — day of — one thousand nine hundred and —.

[\*1A. The second Employer of the second part agrees to permit the Employer of the first part to train the Articled Clerk in his office/firm.]

2. The Articled Clerk of his own free will binds himself Articled Clerk to the Employer to serve him for and during and unto the full end and term of — years.

3. The Articled Clerk covenants with the Employer as follows :—

(a) That he will at all times during the said term diligently and faithfully serve the Employer as his Articled Clerk in the practice of profession of Accountancy.

(b) That he will not at any time during the said term destroy, cancel, obliterate, spoil, embezzle, spend, make away with or take copies of books, papers, plans, documents, moneys, stamps or chattels of the Employer, his personal representatives or assigns or of his partner or partners or of any of his clients or employers which shall be deposited in his hands or which shall come to his care, custody or possession or allow any of the said goods to be so treated by others if he can by the exercise of reasonable care prevent it.

(c) That he will at all times keep the secrets of the Employer and his partner or partners and of his and their clients and employers and will not divulge the names and affairs of such clients and employers.

(d) That he will readily and cheerfully obey and execute the lawful and reasonable commands of the Employer and will not depart or absent himself from the service or employ of the Employer at any time during the said term without his consent or that of his partners first obtained but will at all times during the said term conduct himself with all due diligence, honesty and propriety.

(e) That he will at all times well and faithfully serve the Employer as an Articled Clerk ought to do in all things whatsoever.

(f) That he will make good and fully indemnify the Employer for any loss or damage suffered or sustained by him by his misbehaviour or improper conduct.

4. The Employer covenants with the Articled Clerk as follows :—

(a) That he will by the best ways and means in his power and to the utmost of his skill and knowledge instruct or cause to be instructed the Articled Clerk and afford him such reasonable opportunities and work as may be required to enable him to acquire the art, science and knowledge of Accountancy.

(b) That his professional practice \*[or that of his employer(s)] is his \*[or their] main occupation and is suitable for the purpose of enabling him to carry out the obligations referred to in (a) above.

(c) That he will at the expiration of the said term use his best means and endeavours at the request, cost and charges of the Articled Clerk to cause the Articled Clerk to be admitted as a member of the Institute : Provided always that the Articled Clerk shall have well and faithfully served his intended clerkship and shall have passed the required examinations and in all respects properly qualified himself to be admitted as such.

(d)(i) That if the Employer shall die during the said term, his legal representative shall grant to the Articled Clerk a certificate of service in the appropriate Form for the expired period of the articles.

(ii) That if the Employer shall cease to practise as an accountant or shall in any way become incapable of continuing the intended employment of the Articled Clerk during the said term, he shall, make the necessary arrangements as far as practicable for the completion of the residue of the term as Articled Clerk with some other member entitled to train Articled Clerks and grant the Articled Clerk, the certificate of service in the appropriate Form for the expired period of articles.

5. These articles are subject to the Chartered Accountants Regulations as may be in force from time to time.

In witness whereof the parties have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered

by  
in the presence of

Signed, Sealed and Delivered

by  
in the presence of

\*Signed, Sealed and Delivered

by  
in the presence of

\* To be deleted where the employer is not employed by a Chartered Accountant in practice or by a firm of such Chartered Accountants.

#### FORM "15"

[See Regulations 34(1)(i), 40(2) & 41(3).]

(For use where the Articled Clerk is a minor)

Articles of Apprenticeship made the \_\_\_\_\_ day of \_\_\_\_\_ one thousand nine hundred and \_\_\_\_\_ between \_\_\_\_\_ of \_\_\_\_\_ (hereafter called the Employer) of the first part, \*[\_\_\_\_\_, the Chartered Accountant in practice/partner of Messrs \_\_\_\_\_, chartered accountants in practice, employing the Employer of the first part (hereafter called the second Employer) of the second part], \_\_\_\_\_ (hereafter called the Guardian) of the second/\*third part, guardian of \_\_\_\_\_ (hereafter called the Articled Clerk) of the third/\*fourth part.

Witness as follows, that is to say :—

1. In consideration of the covenants by the Articled Clerk and Guardian respectively hereinafter contained, the Employer agrees to take the Articled Clerk as his Articled Clerk for the term of \_\_\_\_\_ years from the \_\_\_\_\_ day of \_\_\_\_\_ one thousand nine hundred and \_\_\_\_\_.

\*[1A. The second Employer of the second part agrees to permit the Employer of the first part to train the Articled Clerk in his office/firm.]

2. The Articled Clerk of his own free will and with the consent of the Guardian binds himself Articled Clerk to the Employer to serve him for and during and unto the full end and term of \_\_\_\_\_ years.

3. The Articled Clerk covenants with the Employer as follows :—

(a) That he will at all times during the said term diligently and faithfully serve the Employer as his Articled Clerk in the practice of profession of Accountancy.

(b) That he will not at any time during the said term destroy, cancel, obliterate, spoil, embezzle, spend, make away with or take copies of books, papers, plans, documents, moneys, stamps or chattels of the Employer, his personal representatives or assigns or of his partner or partners or any of his clients or employers which shall be deposited in his hands or which shall come to his care, custody or possession or allow any of the said goods to be so treated by others if he can by the exercise of reasonable care prevent it.

(c) That he will at all times keep the secrets of the Employer and his partner or partners and of his and their clients and employers and will not divulge the names and affairs of such clients and employers.

(d) That he will readily and cheerfully obey and execute the lawful and reasonable commands of the Employer and will not depart or absent himself from the service or employ of the Employer at any time during the said term without his consent or that of his partners first obtained but will at all times during the said term conduct himself with all the diligence, honesty and propriety.

(e) That he will at all times well and faithfully serve the Employer as an Articled Clerk ought to do in all things whatsoever.

(f) That he will make good and fully indemnify the Employer for any loss or damage suffered or sustained by him by his misbehaviour or improper conduct.

4. The Guardian covenants with the Employer as follows :—

That he will indemnify the Employer or his partner or partners and all or any of them in case the Articled Clerk shall act contrary to the last-mentioned covenant and the Employer or his partners shall suffer thereby any loss, damage or prejudice.

5. The Employer covenants with the Articled Clerk and the Guardian as follows :—

(a) That he will by the best ways and means in his power and to the utmost of his skill and knowledge instruct or cause to be instructed the Articled Clerk and afford him such reasonable opportunities and work as may be required to enable him to acquire the art, science and knowledge of Accountancy.

(b) That his professional practice \*[or that of the second employer] is his \*[or their] main occupation and is suitable for the purpose of enabling him to carry out the obligations referred to in (a) above.

(c) That he will at the expiration of the said term use his best means and endeavours at the request, cost and charges of the Articled Clerk and the Guardian or either of them to cause the Articled Clerk to be admitted as a member of the Institute : Provided always that the Articled Clerk shall have well and faithfully served his intended clerkship and shall have passed the required examinations and in all respects properly qualified himself to be admitted as such.

(d)(i) That if the Employer shall die during the said term his legal representative shall grant to the Articled Clerk a certificate of service in the appropriate Form for the expired period of the articles.

(ii) That if the Employer shall cease to practise as an accountant or shall in any way become incapable of continuing the intended employment of the Articled Clerk during the said term he shall make necessary arrangements as far as practicable for the completion of the residue of the term as Articled Clerk with some other member entitled to train Articled Clerks and grant the Articled Clerk the certificate of service in the appropriate Form for the expired period of articles.

6. These articles are subject to the Chartered Accountants Regulations as may be in force from time to time.

In witness whereof the parties have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered

by  
in the presence of

Signed, Sealed and Delivered

by  
in the presence of

Signed, Sealed and Delivered

by  
in the presence of

\*Signed, Sealed and Delivered

by  
in the presence of

\* To be deleted where the employer is not employed by a Chartered Accountant in practice or by a firm of such Chartered Accountants.

## FORM "16"

[See regulations 34(2) &amp; 50(1)]

*Statement of particulars to be submitted for registration as an articled or audit clerk*

1. Name of clerk in full (in capital letters)
2. Father's name.
3. Residential address.
4. Nationality.
5. \*Date of birth.
6. \*\*Educational qualifications with dates of passing Examination.
7. (i) Enrolment No. as student member of the Coaching Organisation.  
(ii) In case not yet enrolled, state the date of application made to the Director of Studies, Coaching Board for the purpose.
8. Name and address of the employer under whom serving.
9. Name and address of the previous employer(s) and the period of service under him or them either as an articled clerk or as audit clerk or as both. (Dates of commencement and termination to be given).
10. Articles or Audit Service Registration No., if any.
11. Date of commencement of articles or audit service.
12. (a) Whether studying for any courses and if so give full particulars as to whether applied for Council's permission.  
(b) In case permission has already been obtained, quote letter No. and date wherein the Council's permission was conveyed.
13. (a) Whether engaged in any other occupation or business and if so give full particulars.  
(b) If permission has already been granted, quote the letter No. and date.

I declare that the particulars given above are true and correct to the best of my knowledge and belief and I undertake to intimate to the Council within thirty days, any changes that may occur in the information furnished above, during the period of my training for the purposes of the Chartered Accountants Regulations, 1964.

Place : \_\_\_\_\_ Signature \_\_\_\_\_  
Date : \_\_\_\_\_ of the Articled or Audit Clerk.

\* Applicants are required to produce evidence of their age.  
\*\* Original diplomas, certificates and /or documents or attested copies thereof, in support of the qualifications claimed must be sent with the application.

## FORM "17"

[See regulation 42(2)]

(for use where Articles are assigned)

ASSIGNMENT OF ARTICLES made the..... day of..... one thousand nine hundred and ..... between ..... of ..... (hereafter called "the Employer") of the first part..... (hereafter called "the Articled Clerk") of the second part and..... of..... carrying on the business of..... at..... (hereafter called "the new Employer") of the third part.

Whereas by Articles of Apprenticeship dated..... and made between the Employer of the first part and the Articled Clerk of the second part, the Articled Clerk was bound apprentice to the Employer in the practice of profession of Accountancy for a term of..... years from the..... day of..... 19.....

And whereas it has been agreed that the Articled Clerk shall serve the unexpired residue of the said term with the New Employer, being a member of the Institute entitled to train Articled Clerks, and the Employer has agreed to assign the said Articles of Apprenticeship to the New Employer.

\*And whereas the Employer has paid to the New Employer Rs. .... out of the premium received by the Employer under the said Articles.

Now this deed of assignment witnesseth as follows :—

1. The Employer hereby assigns the said Articles of Apprenticeship from the..... day of..... 19..... and all his interest therein and the benefit of

all covenants therein contained to the New Employer to hold the same for all the unexpired residue of the said term of..... years.

2. The New Employer covenants with the Employer, and the Articled Clerk and with each of them separately—

(a) That he will take the Articled Clerk as his Articled Clerk for the unexpired residue of the said term in order that he may complete his studies and acquire the art, science and knowledge of Accountancy.

(b) That he will observe and perform all the covenants in the said Articles contained and on the part of the Employer to be observed and performed in like manner in all respects as if the New Employer were therein named instead of the Employer and will keep the Employer indemnified from the same and from all actions, claims or demands in respect thereof.

(c) That his professional practice is his main occupation and is suitable for the purpose of enabling him to carry out the obligations referred to in (a) and (b) above.

3. The Articled Clerk covenants with the New Employer—

(a) That the Articled Clerk shall diligently and faithfully serve the New Employer as his apprentice in his profession of Accountancy for all the unexpired residue of the said term.

(b) That he will observe and perform all the covenants in the said Articles contained and on his part to be performed in like manner in all respects as if the New Employer were therein named instead of the Employer.

4. This Deed of Assignment is subject to the Chartered Accountants Regulations as may be in force from time to time.

In witness whereof the parties have hereto set their respective hands the day and year first above written.

Executed by "The Employer" of the First  
In the presence of Part.

Executed by "The Articled Clerk" of the  
In the presence of Second Part.

Executed by "The New Employer" of the  
In the presence of Third Part.

\* To be deleted where not applicable.

## FORM "18"

[See regulation 42(2)]

(for use where the Articles are assigned and where the Articled Clerk is a minor)

ASSIGNMENT OF ARTICLES made the..... day of..... one thousand nine hundred and ..... between ..... of ..... (hereafter called "the Employer") of the first part..... of..... (hereafter called guardian of the Articled Clerk) of the second part, guardian of..... (hereafter called the Articled clerk) of the third part, and..... of..... carrying on the business of..... at..... (hereafter called "the New Employer") of the fourth part.

Whereas by Articles of Apprenticeship dated..... and made between the Employer of the first part, the Guardian of the second part and the Articled Clerk of the third part, the Articled Clerk was bound apprentice to the Employer in practice of profession of Accountancy for a term of..... years from the..... day of..... 19.....

And whereas it has been agreed that the Articled Clerk shall serve the unexpired residue of the said term with the New Employer, being a member of the Institute entitled to train Articled Clerks, and the Employer has agreed, with the consent of the Guardian and of the



Articled Clerk to assign the said Articles of Apprenticeship to the New Employer.

"And whereas the Employer has paid to the New Employer Rs. \_\_\_\_\_ out of the premium received by the Employer under the said Articles.

Now this deed of assignment witnesseth as follows :—

1. The Employer hereby assigns the said Articles of Apprenticeship from the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ and all his interest therein and the benefit of all covenants therein contained to the New Employer to hold the same for all the unexpired residue of the said term. \_\_\_\_\_ years.

2. The New Employer covenants with the Employer, the Guardian and the Articled Clerk and with each of them separately—

(a) That he will take the Articled Clerk as his Articled Clerk for the unexpired residue of the said term in order that he may complete his studies and acquire the art, science and knowledge of Accountancy.

(b) That he will observe and perform all the covenants in the said Articles contained and on the part of the Employer to be observed and performed in like manner in all respects as if the New Employer were therein named instead of the Employer and will keep the Employer indemnified from the same and from all actions, claims or demands in respect thereof.

(c) That his professional practice is his main occupation and is suitable for the purpose of enabling him to carry out the obligations referred to in (a) and (b) above.

3. The Guardian and the Articled Clerk severally covenants with the New Employer—

(a) That the Articled Clerk shall diligently and faithfully serve the New Employer as his apprentice in his profession of Accountancy for all the residue now unexpired of the said term.

(b) That they will observe and perform all the covenants in the said Articles contained and on their part to be performed in like manner in all respects as if the New Employer were therein named instead of the Employer.

4. This Deed of Assignment is subject to the Chartered Accountants Regulations as may be in force from time to time.

In witness whereof the parties have hereunto set their respective hands the day and year first above written.

Executed by \_\_\_\_\_ "The Employer" of the First Part.

Executed by \_\_\_\_\_ "The Guardian" of the Second Part.

Executed by \_\_\_\_\_ "The Articled Clerk" of the Third Part.

Executed by \_\_\_\_\_ "The New Employer" of the Fourth Part.

\* To be deleted where not applicable.

#### FORM "19"

[See regulation 43(1)]

(Form of Supplementary Deed of Articles)

Articles of apprenticeship made the \_\_\_\_\_ day of \_\_\_\_\_ one thousand nine hundred and \_\_\_\_\_ after called the Employer) of the first part and "\_\_\_\_\_, The Chartered Accountant in practice/partner of Messrs \_\_\_\_\_, chartered accountants in practice, employing the Employer of the first part (hereafter called the second Employer) of the second

part], \_\_\_\_\_, (hereafter called the Articled Clerk) of the second/\* third part. SUPPLEMENTAL to the Articles of Apprenticeship made the \_\_\_\_\_ between the abovementioned parties for \_\_\_\_\_.

Witness as follows, that is to say :

1. Whereas the abovementioned Articles have expired on the \_\_\_\_\_ and the Articled Clerk has taken more leave of absence during the said period than is permissible under the Chartered Accountants Regulations, it is hereby agreed by the parties mentioned above that \_\_\_\_\_ the Articled Clerk will serve for a further period of \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_ on the same terms and conditions as are contained in the original deed of articles dated, \_\_\_\_\_ registered with the Institute of Chartered Accountants of India, vide Registration Number \_\_\_\_\_ dated the \_\_\_\_\_.

2. These articles are subject to the Chartered Accountants Regulations as may be in force from time to time.

In witness whereof the parties have hereunto set their hands the day and year first above written.

Signed, Sealed and Delivered

by \_\_\_\_\_ in the presence of \_\_\_\_\_

Signed, Sealed and Delivered

by \_\_\_\_\_ in the presence of \_\_\_\_\_

\*[Signed, Sealed and Delivered

by \_\_\_\_\_ in the presence of \_\_\_\_\_]

Note : 1. Delete words not applicable.

\* To be deleted where the Employer is not employed by a Chartered Accountant in practice or by a firm of such Chartered Accountants.

#### FORM "20"

[See regulation 46 and Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### Certificate of Service under Articles

I, \_\_\_\_\_ of \_\_\_\_\_ do hereby certify that \_\_\_\_\_ served as an articled clerk under me in accordance with the Chartered Accountants Regulations, for a period of \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_ that his progress was satisfactory and that to the best of my knowledge he bears a good moral character.

I further certify that during the above-mentioned period the articled clerk was given leave for \_\_\_\_\_ days.

"I did not charge any premium.

"I have refunded the entire premium of Rs. \_\_\_\_\_ to the articled clerk in \_\_\_\_\_ instalment/s.

The articles were duly registered with the Council of the Institute of Chartered Accountants of India, vide Registration No. \_\_\_\_\_ of \_\_\_\_\_.

(Signature)

Place :

Name in block letters.

Date :

Signature of articled Clerk

\* Strike out what is not applicable.

#### FORM "21"

[See regulation 47 and Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### Certificate of Service under Articles.

(To be issued by the legal representative)

I, \_\_\_\_\_, legal representative of the late \_\_\_\_\_ of \_\_\_\_\_ do hereby certify that to the best of my information \_\_\_\_\_ served as an

articled clerk under the late... of...  
in accordance with the Chartered Accountants Regulations, for a period of... years... months and... days from... to... and that according to the information supplied to me his progress was satisfactory and he bears a good moral character.

I, further certify that according to the information supplied to me, during the above-mentioned period, the articled clerk was given leave for... days by late.....

\*No premium was received by the late... .

The entire premium of Rs... received by the late... has been refunded to the articled clerk in... instalment/s

The articles were duly registered with the Council of the Institute of Chartered Accountants of India, vide Registration No... of... 19..

Signature

Place : Name in block letters

Date : Signature of articled clerk

\*Strike out what is not applicable

#### FORM "22"

[See regulation 47 and Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### *Certificate of Service under Articles*

(To be issued by a surviving partner)

I, ....., of... who practised in partnership with the late... do hereby certify that... served as an articled clerk under the late... in accordance with the Chartered Accountants Regulations, for a period of... from... to... that his progress was satisfactory and that to the best of my information he bears a good moral character

I, further certify that during the above mentioned period, the articled clerk was given leave for... days.

"No premium was received by the late... .

\*To the best of my information, the entire premium of Rs... received by the late... has been refunded to the articled clerk in... instalment/s

The articles were duly registered with the Council of the Institute of Chartered Accountants of India vide Registration No... of... 19..

Signature

Place : Name in block letters

Date : Signature of articled clerk.

" Strike out what is not applicable

#### FORM "23"

[See regulation 52 and Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### *Certificate of Audit Service*

I, ....., of... do hereby certify that... served as an audit clerk under me in accordance with the Chartered Accountants Regulations, for a period of... from... to... that his progress was satisfactory and that to the best of my knowledge he bears a good moral character.

I, further certify that during the above-mentioned period the audit clerk was given leave for... days.

The audit service was duly intimated to the Council of the Institute of Chartered Accountants of India, vide Registration No... of... 19..

Signature

Place : Name in block letters

Date : Signature of audit clerk.

#### FORM "24"

[See regulation 53 & Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### *Certificate of Audit Service*

(To be issued by the legal representative)

I, ....., legal representative of the late... do hereby certify that to the best of my information... served as an audit clerk under the late... in accordance with the Chartered Accountants Regulations, for a period of... from... to... and that according to the information supplied to me his progress was satisfactory and he bears a good moral character.

I, further certify that according to the information supplied to me, during the above-mentioned period, the audit clerk was given leave for... days by the late... .

The audit service was duly registered with the Council of the Institute of Chartered Accountants of India vide Registration No... of... 19..

Signature

Place : Name in block letters

Date : Signature of audit clerk.

#### FORM "25"

[See regulation 53 and Paragraphs 11(1) & 12(1) of Schedule 'B']

#### THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

##### *Certificate of Audit Service*

(To be issued by a surviving partner)

I, ....., of... who practised in partnership with the late... do hereby certify that... served as an audit clerk under the late... in accordance with the Chartered Accountants Regulations, for a period of... from... to... that his progress was satisfactory and that to the best of my knowledge he bears a good moral character.

I, further certify that during the above-mentioned period the audit clerk was given leave for... days.

The audit service was duly registered with the Council of the Institute of Chartered Accountants of India vide Registration No... of... 19..

Signature

Place : Name in block letters

Date : Signature of audit clerk.

#### FORM "26"

(See regulation 65)

*Form of nomination of a candidate for election to the Council of the Institute of Chartered Accountants of India*

We, the undersigned Members of the Institute of Chartered Accountants of India, being qualified to vote in the election of members to the Council of the Institute by the... constituency, do hereby nominate... who is a Fellow of the Institute belonging to that constituency, as a candidate for the election to be held in the year 19..

1. Signature of proposer  
Enrolment No  
Address
2. Signature of seconder  
Enrolment No.  
Address

I, ....., being a Fellow of the Institute belonging to the... constituency, agree to stand for the election by the constituency to be held in the year 19....

I send herewith the fee of Rs. 200/- to the Council by a Demand Draft on ...

Signature of candidate  
Address

Dated this... day of...

## FORM "27"

[See Regulation 165(1)]

*Particulars of Offices and Firms*

1. Name of Firm/Trade name of Chartered Accountant in practice.
2. Name(s) of the Proprietor/Partners of the firm with his/their membership number(s).
3. \*Date on which the partnership was entered into.
4. Date on which the firm was started.
5. Address of the Head Office of the firm/Chartered Accountant in practice.
6. \*Addresses of the Branch Offices of the firm/Chartered Accountant in practice, if any.
7. \*The dates on which the branch offices were opened.
8. Name of the member with the membership number who is in charge of each of the offices, i.e. head office and branch offices.
9. Whether any of the members mentioned in 8 above are incharge of any other office of a Chartered Accountant in practice or a firm of such Chartered Accountants and whether any of them are engaged in a full-time or part-time occupation elsewhere. If so, full particulars may be given.
10. \*Name(s) of the Member(s) of the Institute with membership number(s) who is/are working as paid assistant(s) in the firm/under the Chartered Accountant in practice and date of joining of each member.

Signature

Place : \_\_\_\_\_ of the Proprietor/Partner of the  
Date : \_\_\_\_\_ firm with the membership number.

\* Delete, if inapplicable.

## FORM "28"

[See Paragraphs 11(4)(ii) &amp; 12(3)(ii) of Schedule 'B']

Articles of apprenticeship made the.....day of..... one thousand nine hundred and..... between..... who is employed as.....in.....and is a member of the Institute entitled to impart industrial training (hereafter called the 'Member') of the first part, .....for and on behalf of.....employing the member of the first part (hereafter called the 'Employer') of the second part and.... (hereafter called the 'Apprentice') of the third part.

Witness as follows, that is to say :—

1. In consideration of the covenants by the Apprentice hereafter contained, the Member of the first part and the Employer of the second part agree to take... as their Apprentice for the term of.....months, from the... day of.....one thousand nine hundred and.....

2. The Apprentice covenants with the Member and the Employer as follows :—

- (a) That he will at all times during the said term diligently and faithfully serve them as their apprentice for the purpose of receiving industrial training in accountancy.
- (b) That he will not at any time during the said term destroy, cancel, obliterate, spoil, embezzle, spend, make away with or take copies of books, papers, plans, documents, moneys, stamps or chattels of the Member and/or the Employer, or any of their clients or employers which shall be deposited in his hands or which shall come to his care, custody or possession or allow any of the said goods to be so treated by others if he can by the exercise of reasonable care prevent it.
- (c) That he will at all times keep the secrets of the Member and the Employer and of their clients and employers and will not divulge their names and affairs.
- (d) That he will readily and cheerfully obey and execute the lawful and reasonable commands of the Member and the Employer and will not depart or absent himself from the service or employ at any time during the said term without their consent first obtained but will at all times during the said term conduct himself with all due diligence, honesty and propriety.

(e) That he will at all times well and faithfully serve the Member and the Employer as an Apprentice ought to do in all things whatsoever.

(f) That he will make good and fully indemnify the Member and the Employer for any loss or damage suffered or sustained by them by his misbehaviour or improper conduct.

3. The Member covenants with the Apprentice as follows :—

(a) That he was enrolled as a member of the Institute at least three years before the date of these articles and continues to be a member of the Institute.

(b) That he will by the best ways and means in his power and to the utmost of his skill and knowledge instruct or cause to be instructed the Apprentice and afford him such reasonable opportunities and work as may be required to enable him to acquire the art, science and knowledge of Accountancy.

(c) That if the Apprentice has well and faithfully served his intended apprenticeship, he will at the expiration of the said term, issue him a certificate of service in the appropriate Form.

4. The Employer covenants with the Apprentice as follows :—

(a) That he agrees to permit the Member to train the Apprentice in his undertaking/institution/organisation.

(b) That.....is a financial or commercial or industrial undertaking with total assets not less than fifty lakhs of rupees or is an institution or organisation approved by the Council.

(c) That if during the said term, the Member shall die or cease to be a member of the Institute or cease to be in the employment of the Employer, he shall allow the Apprentice to complete the balance of the said term with another member of the Institute, if any, in his employ, entitled to impart industrial training. However, if there is no such member in his employ, he shall issue a certificate of service in the appropriate Form for the expired period of apprenticeship.

5. These articles are subject to the Chartered Accountants Regulations, 1964, and to any amendments which might be made from time to time and these may also be cancelled under Regulation 37 or 56, as the case may be, of these regulations. However, for matters of discipline and leave, the apprentice shall abide by the Rules and Regulations of the Employer.

In witness whereof the parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered

by (Member)

in the presence of

Signed, sealed and delivered

by (Employer)

in the presence of

Signed, sealed and delivered

by (Apprentice)

in the presence of

## FORM "29"

[See Paragraphs 11(4)(iii) &amp; 12(3)(iii) of Schedule 'B']

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Certificate of service to be issued by the member under whom industrial training was received)

I..... employed as ..... by Messrs.....do hereby certify that Shri.....worked under my supervision for a period of.....from..... to.....and during this period he was given training in..... Department(s).

I also certify that his progress during the period was satisfactory and that he bears a good moral character.

I further certify that during the above mentioned period, he was given leave for.....days.

Place :

Date :

Signature of Member

Membership No.

Signature of articled clerk

## FORM "30"

[See Paragraphs 1(1) &amp; 8(2) of Schedule 'C']

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

Emblem

Management Accountancy Course

## Part I

This is to certify that.....of.....  
has passed.....the Management  
Accountancy Examination (Part I) held by the Institute  
of Chartered Accountants of India in the month of.....  
.....19.....

Given under Common Seal of the Institute of Char-  
tered Accountants of India, this.....day of  
.....19.....

(Seal)

Secretary.

has also passed

N.B. The candidate mentioned above.....

has not so far passed

Part II of the Management Accountancy Course.

## FORM "31"

[See Paragraphs 1(1), 12(1) &amp; 15 of Schedule 'C']

THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF INDIA

Emblem

Management Accountancy Course

## Part II

This is to certify that.....of.....  
has completed the prescribed period of practical training  
in Management Accountancy and has passed the written  
test and in the interview in respect of the same.

Given under the Common Seal of the Institute of  
Chartered Accountants of India, this.....day of  
.....19.....

has also passed

N.B. The candidate mentioned above.....

has not so far passed

Part I of the Management Accountancy Course.

## FORM "32"

[See Paragraph 1(2) of Schedule 'C']

## THE INSTITUTE OF CHARTERED ACCOUNTANTS

Emblem

Management Accountancy Course

This is to certify that.....of.....  
has passed.....Part I and II of the  
Management Accountancy Examination held by the  
Institute of Chartered Accountants of India.

Given under the Common Seal of the Institute of  
Chartered Accountants of India, this.....day  
.....19.....

(Seal)

Secretary.

## SCHEDULE B

## PRELIMINARY EXAMINATION

## 1. Admission to Preliminary Examination

No candidate shall be admitted to the Preliminary  
Examination unless he has passed the Intermediate Exa-  
mination of a University constituted by law in India or  
any other University recognised by the Central Govern-  
ment or an examination recognised by the Central Gov-  
ernment as equivalent thereto :

Provided that a graduate or a person who has passed  
the National Diploma in Commerce Examination held by  
the All India Council for Technical Education or any  
other person exempted under the Chartered Accountants  
Regulations 1949 shall be exempted from passing the  
Preliminary Examination.

## 2. Preliminary Examination admission fee.

A candidate for admission to the Preliminary Exami-  
nation shall pay a fee of twenty seven rupees.

## 3. Papers and syllabus for Preliminary Examination.

A candidate for the Preliminary Examination shall be  
examined in the following subjects and shall ordinarily be  
declared to have passed the Examination if he obtains  
at one sitting a minimum of 40 per cent of marks in  
each paper and 50 per cent of the total marks of all the  
papers :

Paper (i) — *English* — (One Paper — Three Hours —  
100 Marks).

Precis Writing, Paraphrasing; Composition. Commer-  
cial Correspondence and Report Writing. (Questions to  
test the candidate's knowledge of English and his power  
of expression will be asked. The questions will be such  
as would test the candidate's imagination, reasoned  
thought and argument).

Paper (ii) — *Elements of Book-keeping* — (One Paper—  
Three Hours—100 Marks).

Theory and practice of Double Entry Book-keeping;  
Treatment of bad and doubtful debts; Depreciation; Me-  
thods of keeping and presenting Accounts; Manufacturing,  
Trading and Profit & Loss Accounts; Balance Sheets of  
Sole Traders and Proprietary Concerns; and Bill Tran-  
sactions.

Paper (iii) — *Elements of Economics and Modern Admi-  
nistration* — (One Paper—Two Sections —Three  
Hours—100 Marks).

Section I : *Elements of Economics*—(50 Marks).  
Definition and scope of Economics; Want; Wealth; Theo-  
ries of Value and Price; Production; Theory of Produc-  
tion; National Income; Theories of Rent, Wages and  
Interest; Theory of Money and Exchange; Banks; and  
Direct and Indirect Taxation.

Section II : *Modern Administration*—(50 Marks). The  
Indian Constitution relating to the powers, functions and  
duties of the Central Government; the Parliament, the  
State Governments; the State Legislatures; Civil Services  
(Part XIV); Fundamental Rights (Part III of the Indian  
Constitution); and Directive Principles of State Policy  
(Part IV); Finance (Part XII, Chapter I only); Trade  
Commerce and intercourse with the territory of India  
(Part XIII).

Note : Questions on the reproduction of the provisions of  
the Constitution will only be asked. It is not in-  
tended to test the knowledge of the candidate on  
the Interpretation and explanation of the various  
provisions.

Paper (iv) — *Commercial Arithmetic*—(One Paper—  
Three Hours—100 Marks).

Arithmetic; Rapid Calculation, i.e., short methods of  
addition and subtraction, division and multiplication;  
Average Due Date; Elementary principles and processes  
of Arithmetic; Vulgar and Decimal Fractions; English  
and Metric System for measurement of Length—Area—  
Volume—Capacity—Weight—Time; Averages, Ratio and  
Proportion; Percentages; Simple and Compound Interest;  
Present Worth and Discount; Profit and Loss; Stocks and  
Shares; and Foreign Exchange.

Paper (v) — *Economic and Commercial Geography*—  
(One Paper — Three Hours — 100 Marks).

The influence of physical environments and natural re-  
sources on economic development; Location; Configura-  
tion; Drainage; Climate; Soil and Vegetation; Agriculture;  
Subsistence Farming; Commercialized and Mixed Farm-  
ing; Dairying; Horticulture; Sericulture; Plantation;  
Adjustment to animal life and forest vegetation; Extrac-  
tive Industries Quarrying; Mining; Manufacture; Mar-  
kets; Transport and Trade Routes by Land, Sea and Air;  
Ports and their Hinterland; Staples of World Trade; Con-  
ditions of Production; Climate and Soil Requirements;  
Geographical Products; Methods of Production; Mineral  
Products; Ores and Extraction of Minerals; Use of  
Minerals; and Manufacture.

Man and his environments; Population and Popula-  
tion Movements; Distribution of Population in different  
regions; and Density of Population. (The above topics  
to be studied with general reference for comparative pur-  
poses to the main geographical regions of the world  
and with particular reference to India and Pakistan).

The above particulars are intended as a general guide  
to questions which may be asked in each paper.

## INTERMEDIATE EXAMINATION

4. *Admission to Intermediate Examination.*

No candidate shall be admitted to the Intermediate Examination unless he —

(i) was admitted to the First Examination held under the Chartered Accountants Regulations, 1949, and has served or is serving as an articled clerk or as an audit clerk, or

(ii) is a graduate or has passed the National Diploma in Commerce Examination held by the All India Council for Technical Education or has passed the Preliminary Examination held under these Regulations/or the Chartered Accountants Regulations, 1949, and has completed such period of service either as an articled clerk or as an audit clerk or partly as an articled clerk and partly as an audit clerk, as is required for admission as a member, or is serving —

(a) the last 30 months of articled service where he has to serve for 4 years;

(b) the last 24 months of articled service where he has to serve for 3 years;

(c) the last 48 months of audit service where he has to serve for 6 years;

(d) the last 42 months of audit service where he has to serve for 5 years —

on the 1st day of May or 1st day of November of each year for eligibility to the Examination that may be held in May or November, respectively :

Provided that a candidate who had entered into articles or audit service for the first time on or after 1st July 1956, shall not be admitted to the Examination unless he produces a certificate from the Director of Studies or the head of the coaching organisation, by whatever name designated, set up under the aegis of the Council, to the effect that he has undergone a course of postal tuition satisfactorily for a period of one year with the exception that an articled clerk who has to undergo practical training for three years, shall be required to undergo a course of postal tuition satisfactorily for a period of nine months only :

Provided further that a candidate who commenced his preliminary service on or after the 18th day of July 1964, shall not be admitted to the Intermediate Examination if he fails to pass at any of the six examinations held immediately after he became entitled to appear in the said Examination.

5. *Intermediate Examination Admission fee*

A candidate for admission to the Intermediate Examination shall pay a fee of fifty-two rupees.

6. *Papers and syllabus for the Intermediate Examination.*

A candidate for the Intermediate Examination shall be examined in the following subjects and shall ordinarily be declared to have passed the Examination if he obtains at one sitting a minimum of 40 per cent of marks in each paper and 50 per cent of total marks of all the papers :

Provided that a candidate who fails in one paper but gets a minimum of 60% of the total marks of the remaining papers shall be declared to have passed the examination (if he appears at the next following examination in that paper only and gets a minimum of 40% of marks in that paper).

Paper (i) *Accounting*—(Three Hours—100 Marks):

The Theory and Practice of Single and Double Entry Book-keeping and Accounts; Principal and Subsidiary Books of Accounts; Methods of keeping and presenting accounts; the terms used in book-keeping and accounting Bill Transactions; Accounts Current and Average Due date; Self Balancing Ledgers; Goods on sale or return; Hire-purchase and Instalment System; Departmental and Branch Accounts (Excluding foreign branches); Consignment and Joint Ventures; Trial Balance; Receipts and Payments and Income and Expenditure Accounts; Accounting of Educational Charitable and other institutions; Manufacturing Trading and Profit and Loss Accounts and Balance Sheets. (At least one question will be asked on theory).

Paper (ii) *Accounting* —(Three Hours—100 Marks).

Partnership Accounts; Limited Company Accounts and Appropriation Accounts and Balance Sheets; Valuation and Treatment of Goodwill; System and Maintenance of Stock records and Valuation of Stock-in-trade; Nature and Methods of Depreciation; Capital and Revenue, including deferred Revenue Expenditure; Treatment of Bad and Doubtful Debts; Sinking Funds; Provisions; Reserves and Reserve Funds; Simple Accounting Ratios of Manufacturing, Trading and Profit and Loss Accounts.

Paper (iii) *Cost Accounts and Statistics*—(Three Hours — 100 Marks).

*Cost Accounts :*

Objects and Advantages of Costing; Elements of Cost; Books and Records to be maintained; Pricing of Materials; Recording and Control of Materials; Requisitions; Bin Cards and Stores Ledgers; Methods of Costing and Appropriate Industries to which they are applicable; Budgetary Control.

Wastage, Shrinkage, Scrap, etc.; Recording of Labour; various Methods of payment of Wages; Idle time; Chargeable Expenses; Overhead Charges inside and outside the Factory; Basis for allocation of overheads; Machine Hour Rate; Standard Cost.

*Statistics :*

Meaning and scope of Statistics; Fundamental Principles; Utility to other Branches of Arts and Science and particularly Trade and Commerce; Limitations; Methods of Investigations and their relative importance; Statistical Enquiry—Purpose and Utility; Organisation and Questionnaires; their types and their drafting; Tabular Presentation of the Matters; Essentials of good tables; Methods of tabulation including Electric Tabulation; Types of Tables; Stubs and Captions.

Averages; Meaning, Different Types, Mean, Median and Mode and Weighted Averages; Merits and Demerits of each type; Moving Averages; Statistical co-efficient for relative Dispersion; Skewness.

Sampling, Chance and Deliberate Sampling; Law of Statistical Regularity and Inertia of large numbers; Statistical Error; Sources of Errors; Relative and Absolute Errors; Biased Errors; Fallacies and their causes; Accuracy Standard Adopted, Approximation.

Paper (iv) *Auditing* — (Three Hours—100 Marks).

The Principles of Auditing including Audit Programme; Internal Audit; Verification of Assets and Liabilities; Technique of Auditing; Test Checks; Auditing of Accounts of Private Concerns and Partnership, Educational, Charitable and other Institutions and Limited liability Companies (excluding Divisible profits); Duties and Responsibilities of Auditors.

Paper (v) *Mercantile Law and Company Law*—(Three Hours—100 Marks).

Law relating to Contracts; Sale of Goods and Partnership Acts; Negotiable Instruments Act; Elements of Company Law (limited to Part VI, I and II Chapters containing sections 1 to 323).

Paper (vi) *General Commercial Knowledge*—(Three Hours—100 Marks).

Commercial Correspondence and Elements of Secretarial Practice; Office and Counting House Routines; Commercial and Insurance Terms; Stock Exchange Terms and the Practice in the Purchase and Sale of Shares, Securities, etc.; the Purchase, Sale, Storage and Conveyance of Goods (Home, Import and Export); the use of Hundies, Cheques, Bills of Exchange and Bills of Lading; Charter Parties, Railway Receipts; Fire and Marine Insurance. (At least one question on Commercial Correspondence and one question on Secretarial Practice will be asked).

The above particulars are intended as a general guide to questions which may be asked in each paper.

## FINAL EXAMINATION

7. *Admission to Final Examination.*

No candidate shall be admitted to the Final Examination unless he —

(i) has either passed the Intermediate Examination under these Regulations or the Intermediate Examination or the First Examination under Chartered Accountants Regulations, 1949, or is exempted from passing the First Examination under the Chartered Accountants Regulations, 1949 and

(ii) has either completed such period of service as an articulated clerk or as an audit clerk or partly as an articulated clerk and partly as an audit clerk as is required for admission as a member, or is serving the last twelve months of such period on 1st day of May or 1st day of November of each year, for eligibility to the Examination that may be held in May or November, respectively :

Provided that an interval of not less than nine months shall have elapsed between the date of the candidate's passing the Intermediate Examination and the commencement of the Final Examination :

Provided further that a candidate who had entered into articles or audit service for the first time on or after 18th day of July 1956 and who is desirous of appearing for either one or for both the Groups of the Final Examination, shall not be admitted to the examination unless he produces a certificate from the Director of Studies or the head of the Coaching Organisation, by whatever name designated, set up under the aegis of the Council, to the effect that he has undergone the course of postal tuition satisfactorily.

#### 8. Final Examination admission fee.

A candidate for admission to both the Groups or only one Group of the Final Examination shall pay respectively a fee of seventyseven or fiftytwo rupces.

#### 9. Final Examination to be held prior to the 1st day of July 1964.

(1) A candidate for the Final Examination, to be held before the first day of July 1964, shall be examined in the subjects comprised in the following two Groups and shall be considered to have passed the Examination,

- (i) if he is declared to have passed in both the Groups simultaneously or in one Group at one time and in the remaining Group at a subsequent examination, before the first day of July 1964; or
- (ii) if he is declared to have passed in one Group under Chartered Accountants Regulations, 1949 and subject to any direction to the contrary issued by the Council, in the remaining corresponding Group at an examination held after the first day of July 1964, under these Regulations.

(2) The minimum number of marks required for passing in a Group shall be at one sitting 40% of marks in each paper of the Group and 50% of the total marks of all the papers of that Group.

Provided that a candidate who fails in one paper comprised in a Group of papers but gets a minimum of 60% of the total marks of the remaining papers of the Group shall be declared to have passed in that Group, if he appears at the next following examination in that paper only and gets a minimum of 40% of marks in that paper :

#### Group I—Advanced Accounting and Auditing

Paper (i) *Advanced Accounting*—(Three Hours—100 Marks)—Including knowledge of systems of accounting of commercial enterprises; Double Account System (with reference to Electric Companies only); Educational, Charitable and other Institutions; Manufacturing, Trading and Profit and Loss and Appropriation Accounts; Balance Sheets; Partnership Accounts; Accounts of Limited Companies, including Formation, Reorganisation, Reconstruction, Amalgamation and Liquidation of Companies.

Paper (ii)—*Advanced Accounting*—(Three Hours—100 Marks)—Including knowledge of accounts of Banking Companies, Insurance Companies, Mining Companies, Collieries, Holding and Subsidiary Companies, Accounts of Doctors, Lawyers, Solicitors and Accountants; Departmental and Branch Accounts, including Foreign Branches; Preparation of Accounts from Incomplete Records; Preparation of Financial Statements; their use and interpretation; Use of Accounting Ratios, including Solvency Ratios, Capital Ratios, Inventory Ratios and Composite Ratios; Elements of Machine Accounting, Government System of Accounting.

Paper (iii)—*Taxation*—(Three Hours—100 Marks)—Law and Practice of Income-tax and Estate Duty, including practical problems.

Paper (iv)—*Cost Accounts and Statistics*—(Three Hours—100 Marks)—

*Costing* : Objects and Advantages of Costing; Elements of Cost; Books and Records to be maintained; Pricing of Materials; Recording and Control of Materials; Requisitions; Bin Cards and Stores Ledgers; Reconciliation of Cost and Financial Accounts; Methods of Costing and Appropriate Industries to which they are applicable; Budgetary Control; Control of Accounts; Graphic Presentation; Elements of Factory Organisation.

Wastage, Shrinkage, Scrap, etc; Recording of Labour; Various Methods of Payment of Wages; Idle time; Chargeable Expenses; Overhead Charges inside and outside the Factory; Basis for allocation of overhead; Machine Hour Rate; Standard Costs; Different Methods of Costing.

*Statistics* : Meaning and Scope of Statistics; Fundamental Principles; Utility to other Branches of Arts and Science and Particularly Trade and Commerce; Limitations; Methods of Investigations and their relative importance statistical Enquiry—Purpose and Utility; Organisation and Questionnaires; Their Types and their Drafting; Tabular Presentation of the Matters; Essentials of Goods tables; Methods of Tabulation including Electric Tabulation; Types of Tables; Stubs and Captions.

Averages, Meaning, Different Types, Mean, Medium and Mode and Weighted Averages; Merits and Demerits of each Type; Moving Averages; Statistical Coefficient for Relative Dispersion; Skewness.

Sampling, Chance and Deliberate Sampling; Law of Statistical Regularity and Inertia of large numbers; Statistical Error; Sources of Errors; Relative and Absolute Errors; Biased Errors, Fallacies and their causes; Accuracy Standard adopted Approximation.

Paper (v)—*Auditing*—(Three Hours—100 Marks)—Including Audits of Private concerns, Partnership and Joint Stock Companies, Co-operative Societies, Holding and Subsidiary Companies, Banking Companies and Insurance Companies, Investigation into and criticism of Accounts; Audit Reports; Divisible Profits including Treatment of Dividend and Reserves; Rights, Duties and Liabilities of Auditors; Verification and Valuation of Assets; Detection and Prevention of Frauds and Errors; Organisation of Accounts Department; the Chartered Accountants Act, 1949 including the Schedule, the Ethics of the profession and the History of Accountancy.

#### Group II—Mercantile Law, Company Law and Economics

Paper (i)—*Mercantile Law*—(Three Hours—100 Marks)—Including the Law relating to Negotiable Instruments; Arbitration and Awards; Insolvency; Rights and Duties of Liquidators, Trustees and Receivers; Insurance Law; Electricity (Supply) Act, 1948 and Societies Registration Act.

Paper (ii)—*Company Law*—(Three Hours—100 Marks)—Company Law including winding up of Companies; Banking and Insurance Companies Act; and the Co-operative Societies Act (Central and State).

Paper (iii)—*Economics*—(Three Hours—100 Marks)—(i) Nature and Significance of Economics Science; Meaning of Economic Terms; Nature of Wealth and Capital Allocation of Factors of Production to alternative uses; Crisis, Competition and Monopoly; Population and Productivity Effects of Inventions and Scientific Developments; Production and Distribution in an Exchange Economy; Theories of Value; the Marginal Principle and the Law of Substitution; Theories of Wages, Rent, Profits and Interest; Money and Banking; Nature and Functions of Money; the value of Monetary Units; Currency and Credit System; the Banking System and Money Markets; Central Banks, Effects of Rising and Falling Prices; Theory of International Trade; Tariffs; the Effects of different Currencies and Banking Systems on the Foreign Exchanges; Foreign Exchanges and the Balance of payments; the Economic functions and activities of States; Public Finance and Principles of direct and indirect Taxation; Stock Exchange; Money Markets; Investments; Company Finance and Capital Structure.

(ii) Indian Economics, i.e., Modern Economic Development of India in Agriculture; in Industry, including private and State owned and State Managed Industries, in Trade and Commerce including Foreign and Internal Trade; in Currency, Banking and Foreign Exchange and the Reserve Bank of India; Public Finance, including the Central Government and the State Governments.

The above particulars are intended as a general guide to questions which may be asked in each paper.



10. *Final Examination to be held after 1st day of July 1964*

(1) A candidate for the Final Examination, to be held after the first day of July 1964, shall be examined in the subjects comprised in the following two Groups and shall be considered to have passed the Examination, if he is declared to have passed in both the Group simultaneously or in one Group at one examination and in the remaining Group at a subsequent examination.

(2) The minimum number of marks required for passing in a Group shall be at one sitting 40% of marks in each paper of the Group and 50% of the total marks of all the papers of that Group :

Provided that a candidate who fails in one paper comprised in a group of papers but gets a minimum of 60% of the total marks of the remaining papers of the group shall be declared to have passed in that Group, if he appears at the next following examination in that paper only and gets a minimum of 40% of marks in that paper.

(3) This paragraph shall also apply to the candidates appearing for the Final Examination to be held after the first day of July, 1963, who were declared to have passed the Intermediate Examination held in November 1962 or May 1963.

Group I—*Advanced Accounting and Auditing :*

Paper (i) *Advanced Accounting*—(Three Hours—100 Marks)

Including knowledge of systems of accounting of commercial enterprises; Double Account System with reference to Electric Companies only; Partnership Accounts including insolvency Accounts of Limited Companies, including formation, Re-organisation, Re-construction, Amalgamation and Liquidation of Companies; Accounts of Banking Companies; Insurance Companies, Mining Companies, Collieries, Accounts of Doctors, Lawyers, Solicitors and Accountants, Departmental and Branch Accounts including Foreign Branches; Government System of Accounting.

Paper (ii) *Advanced Accounting and Management Accounting*—(Three Hours—100 Marks)

Holding and Subsidiary Companies; Preparation of Accounts from Incomplete Records; Preparation of Financial Statements; Their use and interpretation; Uses of Accounting Ratios; Elements of Machine Accounting; Management Accounting; Definition, Objectives, methods, technique and scope.

Paper (iii) *Costing*—(Three Hours—100 Marks)

Recording and accounting of direct materials; stores and finished stock; Treatment of losses on account of depreciation, obsolescence, natural waste, various methods of remunerating labour; Recording and Accounting labour; Incentive Systems; Factory overheads; Selling, Distribution and administrative overheads; Reconciliation of Cost and Financial Accounts; Control Accounts, Collection and arrangement of data and presentation of results; Cost audit; Elements of Factory Organisation. Budgetary Control, Marginal Costing and Standard Costing.

Paper (iv) *Auditing*—(Three Hours—100 Marks)

Including Audits of Private Concerns, Partnership and joint Stock Companies, Co-operative Societies, Holding and Subsidiary Companies, Banking Companies and Insurance Companies, Investigation into and criticism of Accounts; Audit Reports; Divisible Profits including Treatment of Dividend and Reserves; Rights, Duties and Liabilities of Auditors; Verification and Valuation of Assets; Detection and Prevention of Frauds and Errors; Organisation of Accounts Department. The Chartered Accountants Act, 1949, including the Schedules; The Ethics of the profession and the History of Accountancy.

Paper (v) *Taxation*—(Three Hours—100 Marks)

Law and practice of Income-tax including practical problems and practical problems on Wealth Tax, Gift Tax and Estate Duty.

Group II—*Commercial Laws and other direct Taxes Acts, Company Law and Economics :*

Paper (i) *Commercial Laws and other Direct Taxes Acts*—(Three Hours—100 Marks)

Section 'A' : Arbitration Act, Insolvency Acts; Rights and Duties of Receivers; Trusts Act; Societies Registration Act, Co-operative Societies Act (Central and States); Electricity (Supply) Act, 1948.

Section 'B' : Wealth Tax; Gift Tax; Estate Duty; Central Sales Tax Act, 1956.

Paper (ii) *Company Law* (Three Hours—100 Marks)

Section 'A' : (70 Marks) : The Companies Act, 1956.

Section 'B' : (30 Marks) : Banking Companies Act, and Insurance Act. (Two questions only will be set).

Paper (iii) *Economics*—(Three Hours—100 Marks)

(i) Nature and significance of Economics Science; Meaning of Economic Terms; Nature of Wealth and Capital; Allocation of Factors of Production to alternative uses; Crisis; Competition and Monopoly; Population and Productivity Effects of Inventions and Scientific Developments; Production and distribution in an exchange economy; Theories of Value; the Marginal Principle and the Law of Substitution; Theories of Wages, Rent, Profits and Interest; Money and Banking; Nature and Functions of Money; the value of Monetary Units; Currency and Credit System; the Banking System and Money Markets. Central Banks; Effects of Rising and Falling Prices; Theory of International Trade; Tariffs; the Effects of different currencies and Banking systems on the Foreign Exchanges; Foreign Exchanges and the Balance of payments; the economic functions and activities of States; Public Finance and Principles of direct and indirect Taxation; Stock Exchange; Money Markets; Investments; Company Finance and Capital structure.

(ii) Indian Economics, i.e. Modern Economic Development of India in Agriculture; in Industry, including private and State owned and State managed Industries; in Trade and Commerce including Foreign and Internal Trade; in Currency, Banking and Foreign Exchange and the Reserve Bank of India; Public Finance, including the Central Government and the State Governments.

The above particulars are intended as a general guide to questions which may be asked in each paper.

11. *Period of training for a person engaged before the 18th day of July 1956*

(1) A person who has entered into articles or audit service prior to the 18th day of July 1956 and who has passed the examinations prescribed in this Schedule shall not be eligible for membership of the Institute unless he produces a certificate in the appropriate Form from an appropriate person to the effect that he—

(a) has served as an articled clerk for the total period specified below :

(i) in the case of a person who has passed the degree examination of a University constituted by law in India or any other University recognised by the Central Government and has either taken accountancy, auditing and mercantile law or commercial law along with other subjects for the degree examination or has secured a minimum of 60 per cent of the total marks of all the papers at one sitting in the degree examination or who has been awarded the All India or National Diploma in Commerce by the All India Board of Technical Studies in Commerce and Business Administration and/or the All India Council for Technical Education with auditing as special subject, prior to entering into articles or audit service, and has undergone practical training prescribed for the award of the said Diploma for a period of one year under a chartered accountant entitled to train articled clerks... 3 years.

(ii) in the case of any other graduate....4 years.

(iii) in the case of a person who has passed the All India Diploma or National Diploma in Commerce Examination held by the All India Board of Technical Studies in Commerce and Business Administration and/or the All India Council for Technical Education with auditing as special subject....4 years.

(iv) in any other case....5 years.

(b) has served as an audit clerk for the period prescribed below :

(i) in the case of a person referred to in sub-clause (i) of (1) (a) above....6 years;

(ii) in the case of a person referred to in sub-clauses (ii) and (iii) of (1) (a) above....8 years; and

(iii) in any other case....9 years.

(c) has served partly as an articled clerk and partly as an audit clerk for a total period as specified in sub-paragraph (b) :

Provided that for the purposes of computing the total period specified in sub-paragraph (c), complete six months' service as an articled clerk shall be reckoned as one year's service as an audit clerk and *vice versa* and fractions of a period less than six months in the case of articled service and one year in the case of audit service, shall be ignored :

Provided further that a person referred to in sub-clause (i) of clause (1) (a) above, who has entered into articles or audit service, as the case may be, prior to 1st July 1956, shall, unless his service is continuous, be governed by paragraph 12.

#### Explanation

Any break in the service of a person referred to above prior to 1st July 1956, shall not be considered as break in service for the purposes of this proviso, if he—

(a) has completed the period of practical training prescribed under this paragraph prior to the 1st day of July, 1956; or

(b) being in such service on the 1st day of July 1956, has completed the period of practical training prescribed under this paragraph without any break in service after the 1st day of July 1956 :

Provided, however, that the Examination Committee may, at its discretion, condone any break in such service.

(4) (i) An articled or audit clerk may, at his discretion, serve a part or whole of the last year of the prescribed period a practical training, in a financial, commercial or industrial undertaking whose total assets are not less than fifty lakhs of rupees or such other institution or organisation as may be approved by the Council.

(ii) The practical training shall be received under a member of the Institute who has been a member atleast for three years and an agreement of service shall be entered into in the appropriate Form.

(iii) On satisfactory completion of the practical training, the member shall grant a certificate to the articled or audit clerk, as the case may be, in the appropriate Form.

(iv) The period of training as specified in sub-paragraph (i), shall be treated as service under articles or as an audit clerk, as the case may be, for all the purposes of these Regulations, provided the certificate referred to above is produced.

#### 12. Period of training for a person after the 1st day of July 1956

(1) A person who has entered into articles or audit service on or after the 1st day of July 1956 and has passed the examinations prescribed in this Schedule or recognised as equivalent thereto shall not be eligible for membership of the Institute unless he produces a certificate in the appropriate Form from an appropriate person to the effect that he—

(a) has served as an articled clerk for a total period of 4 years; or

(b) has served as an audit clerk for a total period of 6 years; or

(c) has served partly as an articled clerk and partly as an audit clerk for a total period as specified in clause (b); or

(d) has served as an articled clerk for a total period of 3 years or as an audit clerk for a total period of 6

years or partly as an articled clerk and partly as an audit clerk for a total period as specified in this paragraph, if he has passed the examination prescribed for the Government Diploma in Accountancy or an examination recognised as equivalent thereto by the rules for the award of the Government Diploma in Accountancy :

Provided that for the purposes of computing the total period specified in clause (c), complete six months' service as an articled clerk shall be reckoned as nine months' service as an audit clerk and *vice versa* and fractions of a period less than six months in the case of articled service and nine months in the case of audit service, shall be ignored :

Provided further that in the case of a clerk getting remission of one year in the period of service as provided hereunder, six months' service as an articled clerk shall be reckoned as ten months' service as an audit clerk and *vice versa* and fractions of a period less than six months in the case of articled service and ten months in the case of audit service shall be ignored :

Provided further that for the purposes of computing the total period specified in clause (d), complete six months' service as an articled clerk shall be reckoned as one year's service as an audit clerk and *vice-versa* and fractions of a period less than six months in the case of articled service and one year in the case of audit service, shall be ignored.

(2) (i) Notwithstanding anything contained in sub-paragraph (1), a clerk who has passed either the Degree Examination of a recognised University or the National Diploma in Commerce examination, with Accountancy and Auditing as subjects and has secured in the aggregate a minimum of 50% of the total marks in the examination in his first attempt or who has secured in the aggregate a minimum of 60% of the total marks at first attempt in any of the other Degree Examinations of a recognised University, shall be eligible for a reduction of one year in the prescribed period of practical training.

(ii) A clerk who has passed his Post Graduate Degree Examination in his first attempt securing in the aggregate a minimum of 50% of the total marks in the examination and who had earlier passed the Degree Examination with Accountancy and Auditing as subjects, shall also be entitled to the above remission of one year :

Provided that for the purpose of sub-clauses 2(i) and 2(ii), while calculating the percentage of marks, the marks secured in subjects in which a student is required by the regulations of the university or the examining body concerned to obtain only pass marks and for which no special credit is given for higher marks, shall be ignored :

Provided further that the remission of one year granted under sub-clauses 2(i) and 2(ii) above shall be withdrawn if the clerk entitled to such remission fails to secure a minimum of 50% of the aggregate marks at his first appearance in the Intermediate Examination held by the Institute.

(iii) The remission of one year shall be available only to a clerk who is qualified for it at the time of his registration for preliminary service or who is serving his period of articled or audit clerkship on 18th day of July 1964.

(3) (i) An articled or audit clerk may, at his discretion, serve a part or whole of the last year of the prescribed period of practical training, in a financial, commercial or industrial undertaking whose total assets are not less than fifty lakhs of rupees or such other institution or organisation as may be approved by the Council :

Provided that an articled or audit clerk who has been granted a remission of one year in the period of his articled or audit service may, at his discretion, undergo such training for a period of six months in all during the last year of the prescribed period of practical training.

(ii) The practical training shall be received under a member of the Institute who has been a member atleast for three years and an agreement of service shall be entered into in the appropriate Form.

(iii) On satisfactory completion of the practical training, the member shall grant a certificate to the articled or audit clerk, as the case may be, in the appropriate Form.

(iv) The period of training as specified in sub-paragraph (i) shall be treated as service under articles or as an audit clerk, as the case may be, for all the purposes of these Regulations, provided the certificate referred to above is produced.

13. For the purposes of paragraphs 11 and 12, service with Armed Forces rendered by an articled clerk for a period not exceeding one year or by an audit clerk for a period not exceeding two years, shall be deemed to be service as an articled clerk or audit clerk, as the case may be.

14. *Proof of training in the absence of a certificate*

In the case of a person who is unable to produce, for a valid reason, a certificate in the appropriate Form from an appropriate person, the Council may require such proof as it may determine that the former person has served either as an articled clerk or as an audit clerk, for the period required by paragraph 11 or 12, as the case may be.

**SCHEDULE 'C'**

**POST GRADUATE TRAINING**

**1. Management Accountancy Course**

(1) The Management Accountancy Course shall include a course of theoretical training (Part I) and practical training (Part II) and separate certificates in the appropriate Form for the two parts shall be granted to those who qualify for the same, as hereinafter provided.

(2) A candidate who has qualified in Parts I and II, shall be awarded a certificate in the appropriate Form.

**2. Administration**

Notwithstanding anything contained in regulation 152 the Management Accountancy Course shall be in charge of a Committee appointed by the Council for the purpose, whose functions shall include holding of the examination, admissions thereto, appointment and selection of examiners, prescription of books for the guidance of candidates, declaration of results and other allied matters.

**3. Admission to the examination (Management Accountancy Course Part I)**

(1) No candidate shall be admitted to the Management Accountancy Examination (Part I) unless he is a member at the time of appearing at the examination and has been a member for a continuous period of not less than one year prior to the date of the examination.

(2) Every candidate for admission to the examination shall pay a fee of one hundred rupees.

**4. Papers and syllabus**

(1) A candidate for the Management Accountancy Examination shall be examined in the subjects comprised in the following two Groups and shall be considered to have passed the examination if he is declared to have passed in both the Groups simultaneously or in one Group at one time and in the remaining Group at a subsequent examination.

(2) No candidate shall be eligible to appear at a subsequent examination within the meaning of sub-paragraph (1) for the purpose of passing in the remaining Group, unless it is one or more of the six examinations immediately following the examination in which he is declared to have passed in one Group.

(3) The minimum number of marks required for passing in a Group shall be 40% of marks in each paper of the Group and 50% of the total marks for all the papers of that Group :

Provided that the Committee concerned may at its discretion, reduce the minimum pass marks upto three marks in one or more papers and upto five marks in aggregate.

Group I. Paper 1—Management Accounting

Paper 2—Management Accounting

Group II. Paper 1—Management and Organisation Structure

Paper 2—Economic and Management Policies.

**GROUP I**

**Management Accounting—Papers 1 and 2**

**Objectives & Scope**

"Management Accounting" is a new approach to the function and usefulness of "Accounting". It represents the use of Accounting as an aid to Management in their twin functions of (a) laying down policies of the business, (b) controlling the operations of the business with a view to maximising Profits.

Management Accounting, therefore, does not imply a study of any new principles of Accounting. It is practical in its approach and its aims at associating the accountant with the Management in the making of business decisions and in constantly reviewing the implementation of such decisions, the fundamental objective being the attainment of highest possible business efficiency. The Examinees should, therefore, note that mere theoretical knowledge will not be adequate. They should display ability to apply the knowledge to a given situation and to analyse and interpret accounting figures in such a manner to aid Management.

Paper 1 covers the analysis and interpretation of concepts in the financial accounting area. In particular, the syllabus prescribed for the Paper is intended to cover the following :

- (i) Analysis of the capital needs and the problems of capital structure
- (ii) Judging the efficiency of capital employed through an analysis of profitability of operations
- (iii) Preparation and presentation of profit reports to management
- (iv) Financial planning for new projects
- (v) Problems of financial policy.

Paper 2 covers the study of cost data in relation to the needs of Management. Besides using the costing system for determination of Cost, it utilises the cost data for the purposes of control and planning. The syllabus for this paper, therefore, embraces the basic concepts of cost accounting, the selection of the most appropriate system of costing and the different approaches to cost. It also covers Budgetary Control which is the universally recognized tool of cost Control, cost problems related to new projects and the cost aspects of pricing.

The paper does not attempt to examine the candidates in procedures of the different costing systems. The candidates should, however, note that unless they acquire a good understanding of the methods and procedures of Cost Accounting they may not be able to effectively deal with this paper.

**Management Accounting—Paper 1**

**(1) Concept of Capital with reference to :**

- (a) Sources (Equity Vs. borrowed capital)
- (b) Period [working (short-term) capital Vs. long-term capital]
- (c) Application (capital employed).

**Working capital :** Nature of working capital—Analysis of working capital—Estimating the requirements of working capital—Ratios and proforma statements—Fund-flow analysis—Cash flow analysis—Finance planning—Budgeting—Effect of changes in credit policy, pricing policy, purchasing policy and production planning on working capital—Methods of financing working capital requirements (sources of short-term financing).

**Long-term Capital :** (Equity and borrowed) Determination of the capital structure in relation to varying circumstances of ownership, control and risk—Debt. Vs. Stock—Trading on equity—Pricing and placing of securities—Dilution—Problems of refunding, Recapitalisation and reorganization—Valuation of securities—Regulation of capital issues in India—Capital expenditure—Determining the cost of capital.

**(2) Profitability of operations and return on capital :**

Technique of analysing the financial statements using different kinds of ratios—Cost of sales, Manufacturing overhead, administrative overhead and sales overhead—allocated cost—cash vs. book profits.

**Concept of earning power :** Calculating the earning power of an enterprise in terms of sales turnover, margin of profit, total assets and operating assets.

**Concept of return on capital :** Various variables affecting the return on capital—Impact of inflation on return on capital—return after tax.

**(3) Measurement of profits and presentation to Management :**

- (a) Measurement of profits by—
  - Period (monthly, quarterly, etc.)
  - Function, department, division or section, etc.
  - Product group.

(b) For a uniform basis of comparing the profitability of operations, criteria to be used in treating the overheads—Preparation of profit statements for control and managerial decisions.

(c) Designing reports on profitability of operations for the use of top management.

(4) *New Projects* : Development and expansion—Project planning—Determining working capital and long term capital requirements and estimating the profitability of operations and return on capital—approach based on discounted cash flows and pay back method—Determining the capital structure in terms of availability of sources of finance and maximisation of return on capital—Preparation of cash budgets so as to facilitate timing of financial commitments—capital expenditure control programme.

(5) *Higher Management financial policy* : Plough back, Tax and depreciation considerations—Dividend policy—Bonus shares—Right issues—Under and over capitalisation—Market value of shares.

(6) *Tools for Management Accounting* : Comparative statements—statement of sources and application of funds—Graphs—Charts—Trend Analysis.

(7) *Reports* :

- (a) Presentation of accounting and financial data to the Board.
- (b) Presentation of data to Management : Furnishing relevant financial data to various levels of management.
- (c) Presentation of annual accounts : Company Law requirements—Meaningful display of financial data.

#### *Management Accounting—Paper 2*

##### *Section A*

(1) *Cost Accounting* : Classification of cost : Material, Labour, Overhead, Fixed, Variable and Semi-fixed costs—Methods of distribution of overheads—methods of cost finding : Job costs, process costs, standard costs, Direct costs.

Standard costs—Setting up standards—Getting acceptance of standards—Attainable standards—Frequency of changes of standards—Analysis of variances.

(2) *Setting up a cost system* : Selection of a cost system—Making the cost system understood by the Management—Organisation and installation of the selected cost system—Minimising the cost of cost accounting—Application of cost systems only to certain functional areas of the business unit.

##### *Section B*

(1) *Budgetary Control* : Budgeting : Types of budgets—Budget procedures—Flexible budgeting—Preparation, Operation, Control and Problems of :

- (a) Operating budgets;
- (b) Capital Budgets;
- (c) Financial budgets;
- (d) Long-term and perspective budgets.

Functions and responsibilities of the budget department—Responsibility centres—Control through budgets : Analysis of variances, causes of variances, corrective actions proposed, effect of corrective actions.

(2) *Interpretation of costs in Decision Making* :

(a) *Kinds of Costs* :

- Historical costs
- Controllable and uncontrollable costs
- Out of pocket costs
- Marginal costs
- Replacement costs

(b) *Costing of Projects* :

- Analysis of costs for alternative choices
- Weighing and measuring quantitative factors
- Future costs—Differential costs
- Estimating the return on capital
- Unadjusted return on investment method and the financial method.

(c) *Make or buy decisions*—Consideration of relevant costs—profit maximisation.

(d) *Product pricing* : Breakeven cost analysis—Consideration of volume and margin in terms of demand and supply.

#### *GROUP II*

#### *Management and Organisation Structure—Paper 1* *Objectives and Scope :*

The objective of the Paper is to test the knowledge of the examinees regarding the managerial function of the executives in different functional areas and at different levels and also of the organisational framework within which they operate. The subject covers broadly the concept and nature of managerial functions in terms of planning, organising, motivating and controlling. Section A of the paper is essentially descriptive in nature and the examinees are expected to be familiar with the functional activities of industrial enterprises.

Section B provides for an analytical study of the organisation structure and it is technique-oriented in that the examinees should be familiar with the methods and procedures of building an organisation structure. Though management accountants are not called upon to handle problems of organisational change, they should however be familiar with the techniques of organisation, so that they would be in a position to participate effectively in discussions on organisational problems affecting their function.

#### *Management and Organisation Structure*

##### *Section A*

The concept of management—The process of management : Planning, Organising, Motivating and Controlling—The functional areas of management : Finance, Production, Personnel, Marketing, Purchasing and other staff functions—A detailed study of the functional areas in a typical industrial enterprise.

(a) *Finance* : Nature of company finance as a functional area of management—Organisation of finance department—Functions of the department : Accounting, Audit and Cost Control systems—Administration of the department.

(b) *Production* :

- (i) Plant Location—Factors determining location—Layout
- (ii) Typical manufacturing processes and machine operations
- (iii) Working of the production unit—Production planning and scheduling—Production control and quality control—work simplification and productivity—Time and motion studies—Inventory control—Purchasing, storing and despatching—Production engineering—Materials handling and plant maintenance.
- (iv) Organisation structure of a typical manufacturing unit.

(c) *Personnel* :

- (i) Functions of personnel department—Personnel selection, induction and training—Placement—Transfer, promotions and retirement—Salary and wage administration—Employee welfare and recreation—medical assistance—Safety—Place of personnel department in the organisation structure of a typical industrial enterprise.

(ii) Labour-management problems—Trade unions.

(d) *Marketing* : Functions of marketing department : Sales, Advertising, Marketing research, Publicity, Sales force, Statistics, Distribution, Transportation, Price policy, Forecasting and Market analysis.

(e) *Other Functions* : Buying, legal, trade marks—Secretarial, economic, operational statistics, organisation and methods (O & M).

##### *Section B*

Nature of internal organisation of a business enterprise—Principles of organisation : Typical patterns of grouping activities—Line, Staff and lateral relationships—Concepts of authority and span of supervision—Delegation of authority and managerial control.

Studying the efficiency of the organisation structure as a whole in terms of levels of authority and span of control—Problems of re-organisation and decentralisation.

Organisation Charts—Work flow charts—Organisation manuals.

#### *Economic and Management Policies—Paper 2*

##### *Objectives and Scope :*

The objective of this paper is to test the candidates' awareness of the framework of industrial and economic

policies of the Government within which individual firms operate and also of the various techniques of management. Candidates should therefore study the trends in the field of Government economic policies and their implications on management policies and practices.

Section A of the paper covers broadly a study of the industrial development in India in the context of the Five Year Economic Plans with particular reference to Government regulation of industry. Economic development should be studied from the point of view of businessman rather than that of a historian. The emphasis should therefore be on the trends of industrial development and their meaningful interpretation from the management's point of view.

Section B provides for an examination of some current issues with which the management accountant is expected to be familiar. The areas of study indicated in the syllabus under this Section may include contemporary practices in other countries. The examinees should therefore be up-to-date on the current thinking on the topics and be prepared to examine the application of the theoretical concepts to Indian conditions as studied under Section A.

#### Section A

##### *Economic and Management Policies*

##### *Economic Policy :*

Five Year Plans and industrial development—A study of the Planning Commission's programme of industrial development with a view to obtaining an idea of the development of specific industries during a given period—Government regulation of industry with particular reference to :

- (i) Location of industries
- (ii) Industrial Development and Regulation Act
- (iii) Industrial Relations (wage boards, labour disputes, joint councils, etc.)
- (iv) Tariff protection (Tariff Commission enquiries)
- (v) Foreign exchange control
- (vi) Export Promotion—Government incentives
- (vii) Export-import policy—Trade agreements—common markets.
- (viii) Company Legislation
- (ix) Control of capital issues
- (x) Business taxation policy.

#### Section B

##### *Management Policies and Practices*

##### *I. Financial :*

- Central Government budgeting
- Capital market conditions
- Placing of securities on the market—Current practices
- Sources of finance in India—A study of the different kinds of financial institutions in India such as commercial banks, quasi-government financial institutions, international financial agencies, stock market and of the terms on which funds are available to business enterprises
- Company Law Administration—its observations on matters relating to financial aspects of company management
- Trends in the flow of foreign capital—Nature of foreign collaboration agreements—Government regulations
- Flotation of new companies—Trends with particular reference to capital structure (working and long-term and classes of securities).

##### *II. Managerial : Current managerial techniques and practices :*

A study of the latest techniques and practices in the areas of finance and cost administration with a view to emphasising their managerial significance.

- Analysis of operating statements and annual reports of the leading companies of a selected few major industries (both consumer and industrial goods) with particular reference to the following factors :
  - (a) Capital structure
  - (b) Rate of return
  - (c) Dividend policy
  - (d) Earning power

(e) Methods of financing (plough-back)

(f) Earnings per share Vs. market value.

Inter-firm and intra-firm comparisons

Inflation and depreciation Accounting practices

Application of the concept of control to distribution costs

Concept of Accountability in public enterprises and current practices of reporting control information

Data processing by machines.

##### *5. Conduct of examinations*

(1) The examination may be conducted at such intervals, in such manner and at such time and places, as the Council may direct.

(2) The dates and places of the examination and other particulars shall be notified in the Gazette of India.

##### *6. Application for admission to examination*

An application for admission to the examination shall be made in the approved form, a copy of which may be obtained from the Secretary, and together with the prescribed fee, shall be sent so as to reach the Council in accordance with the directions given by it.

##### *7. Refund of fee*

(1) The fee paid by a candidate who has been admitted to an examination shall not, except as otherwise provided in sub-paragraph (2), be refunded.

(2) Where a candidate applies to the Council for the transfer of fee to the next examination on the ground that he was prevented from attending the examination on account of circumstances beyond his control, the Council may permit the fee paid by such candidate to be appropriated towards the fee payable only for the next following examination :

Provided that no such application received after the expiry of fifteen days of the last date of the examination shall be considered.

##### *8. Declaration of result*

(1) A list of successful candidates shall be published in the Gazette of India.

(2) A candidate passing the examination (Part I) shall be granted a certificate in the appropriate Form.

(3) All the candidates shall be informed of the marks obtained in each paper.

##### *9. Action against candidates resorting to unfair means*

If it is reported to the Committee that a candidate has resorted to or has attempted to resort to unfair means for the purpose of passing the examination the Committee shall hold an enquiry and submit a report to the Council which may, after any further investigation as it may consider necessary, take such disciplinary action against the candidate as it thinks fit.

Provided that an opportunity shall be given to the candidate of being heard before an order adverse to him is passed.

##### *10. Examiners*

The Committee may make such arrangements and may appoint such examiners to set question papers and value answer books as it may deem fit.

##### *11. Amendment of result*

In any case where it is found that the result of an examination has been affected by error, malpractice, fraud, improper conduct or other matter, of whatever nature, the Committee hereinbefore mentioned shall have the power to amend such result in such manner as shall be in accord with the true position and to make such declaration as the Committee shall consider necessary in that behalf.

##### *12. Practical training (Management Accountancy Course—Part II)*

(1) A member, who has had practical training for a period of two years in the organisations that may be recommended by the Committee in this behalf and who satisfies the conditions hereinafter mentioned, shall be granted a certificate in the appropriate Form.

(2) The Committee may prepare a list of organisations, service in which may be recognised towards practical training referred to hereinbefore.

(3) A candidate desiring to qualify himself for the grant of a certificate referred to in sub-paragraph (1) shall make an application, at least two years in advance giving notice of his intention to qualify for the same.

(4) The application shall be accompanied by a registration fee of one hundred rupees which shall not be refunded except where the application is not accepted for any reason.

### 13. Thesis

(1) A candidate, after undergoing the practical training for a period of 2 years as may be directed by the Committee, shall submit a thesis on a subject to be approved by the Committee, within a period of three months.

(2) The thesis shall be submitted with a fee of one hundred and fifty rupees which shall not be refundable.

(3) The candidate shall submit in English three type-written or printed copies of the thesis embodying the results of his training and research and stating whether the work is based on the discovery of new facts by the candidate or of new relations of facts observed by others and how the work tends to the general advancement of knowledge.

(4) The candidate shall further submit a statement indicating the sources from which his information has been derived and the extent to which he has based his work on the work of others and shall indicate which portion or portions of his work he claims as original.

(5) The Committee shall forward the thesis to the referees appointed by it for their advice whether the thesis is of a sufficiently high degree of merit as to deserve approval or whether it may be modified and if so, in what manner, or whether it may be rejected.

### 14. Interview

The candidate shall be required to appear before an interview board that may be appointed by the Committee in this behalf.

### 15. Grant of certificate

A candidate who has completed the practical training, whose thesis has been accepted and who has been successful at the interview, shall be eligible for a certificate in the appropriate Form.

### 16. Record of training

A complete record showing the details of training undergone by the candidate shall be maintained by him and a copy thereof shall be submitted to the Committee from time to time.

### 17. Advisory board

(1) The Committee may appoint an advisory board consisting of not more than 5 persons to advise the Committee on the syllabus, examinations, practical training, research and any other matter relating to Management Accountancy, as might be referred to it.

(2) The members of the advisory board shall be eligible for travelling allowance and daily allowance according to the rates that may be approved by the Council.

No. 1-CA (30)/1/63—In exercise of the powers conferred by sub-regulation (2) of regulation 1 of the Chartered Accountants Regulations, 1964, the Council of the Institute of Chartered Accountants of India is pleased to notify that the said Regulations shall come into force with immediate effect.

No. 60-Misc.(88)/64—In pursuance of sub-section (1) of Section 13 of the Chartered Accountants Act, 1949 (XXXVIII of 1949), it is hereby notified that the resignation of Shri V. Satyamurti, Deputy Secretary, Ministry of Finance, Department of Revenue and Company Law, Government of India, New Delhi, from the membership of the Council has been accepted with immediate effect.

C. BALAKRISHNAN  
Secretary.

## CENTRAL SILK BOARD

Bombay-2, the 3rd July 1964

No. CSB/ES/64/G.O.(9)—In exercise of the powers conferred by Rule 28 of the Central Silk Board Rules, 1955, the following transfers have been effected in the interest of work :—

1. Dr. G. D. Pershad, was relieved of his duties as Director in the Central Silkworm Seed Station, Srinagar on 7-4-1964 (A.N.) and transferred to the

Central Sericultural Research Institute, Mysore, as Assistant Director in the same scale of pay of Rs. 700-40-1100-50/2-1250. Dr. Pershad resumed duty as Assistant Director in the Central Sericultural Research Institute, Mysore on 29-4-1964 (F.N.).

2. Shri N. K. Gururajan, was relieved of his duties as Assistant Director in the Central Sericultural Research Institute, Mysore on 29-4-1964 (F.N.) and transferred to the Central Silkworm Seed Station, Srinagar as Director in the same scale of pay of Rs. 700-40-1100-50/2-1250. Shri Gururajan resumed duty as Director in the Central Silkworm Seed Station, Srinagar on 23-5-1964 (F.N.).

R. DORAISWAMY  
Chairman.

## MINISTRY OF LABOUR AND EMPLOYMENT

### Employees' State Insurance Corporation

New Delhi, the 8th July 1964.

No. INS. 1-22(1)-2/64(10)—In pursuance of the powers conferred by section 46(2) of the Employees' State Insurance Act, 1948 (34 of 1948), read with Regulation 95-A of the Employees' State Insurance (General) Regulations, 1950, I hereby notify the 30th July, 1964 as the date from which the medical benefit as laid down in the said Regulation 95-A and the Kerala Employees' State Insurance (Medical Benefit) Rules, 1959, shall be extended to the families of insured persons in the following areas in the State of Kerala, namely :—

The areas within the Municipal limits of Kottayam and the revenue villages of :—

1. Nattakam;
2. Kainakary;
3. Athirampuzha;
4. Panachikattu;
5. Thiruvappu;
6. Arpookara;
7. Kumaranellore;
8. Vijayapuram;
9. Puthupally;
10. Ettumanoor;
11. Aymanam;
12. Nalamperoor;
13. Karapuzha;
14. Vakathanam;
15. Vazhapally;
16. Kumarakom;
17. Chingavanam;
18. Pampadi;
19. Koipuram;
20. Mariyappally;
21. Ayarkunnam;
22. Manganam;
23. Kuroorpadda;

in the Kottayam Taluk in the Kottayam district.

V. N. RAJAN  
Director General

## Office of the Chief Inspector of Mines

Dhanbad the 4th July 1964

No. 35671G—In exercise of the powers under regulation 2(23) of the Coal Mines Regulations 1957, the following explosives are added to the list of "Permitted Explosives" approved for use in potentially and technically gassy mines (as defined in Chief Inspector of Mines' Circular No. 52, dated the 29th September 1962) vide this office Notification No. 3164G, dated the 16th January 1964 :

- (b) Permissible maximum charge 0.79 kg in any one shot hole
- (3) Monobel AA or Mipkol AA—Manufactured by M/s. E.I. Du Pont De Nemours & Co., Inc. U.S.A.
- (c) Permissible maximum charge 0.5 kg in any one shot hole
- (1) NP-5 (Nitrocetusit)—Supplied by Chemolimpex Hungarian Trading Company for Chemicals Budapest.

G. S. JABBI  
Chief Inspector of Mines